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Fateh probes death of Abu Hassan

BEIRUT, Jan. 23. (R) — Palestinian leader Yasser Arafat returned hastily to Beirut Tuesday to head inquiries into the car-bomb killing of his senior security aide.

Arafat's Fateh, the biggest commando group, has blamed Israel for the death Monday of Abu Hassan, whom the Israelis held responsible for the 1972 Munich attack in which 11 Israeli Olympic athletes were killed. The charge has never been independently confirmed.

Abu Hassan, the code-name of Ali Hassan Salameh, died with four of his bodyguards and several passers-by when a remote-controlled bomb in a parked car exploded as they drove past.

The dead included a 34-year-old British secretary Susan Warcham, who was only 100 meters from her home when she died, British officials said Tuesday.

The debonair, 37-year-old Abu Hassan was said by Beirut newspapers to have been Israel's most wanted man following the Munich attack.

Although he was head of Fateh's special operations group, the Palestinians denied that he was involved in the killing.

Wafa Monday blamed the assassination on Israel and "allied groups" — an apparent reference to right-wing Lebanese militias who receive crucial support from Israel, particularly in embattled southern Lebanon.

But right-wing Lebanese politicians rapidly issued statements condemning the killing and praising Abu Hassan as an honest leader.

There were widespread fears in Beirut that the assassination would inflame the already tense situation, particularly if the Palestinians retaliated. It was also feared that Abu Hassan's killing could be the start of a series of attempts on the lives of Palestinian leaders.

Arafat's commandos were ordered on full alert overnight as he sped back from Damascus, Palestinian sources said.



EXPLOSION SCENE: Gunmen surrounding the blasted automobile of Palestinian leader Abu Hassan who was killed with seven others in Monday's explosion. (Wirephoto)

Fahd back in Riyadh

King Hussein concludes visit

AMMAN, Jan. 23 (Agencies) — King Hussein of Jordan returned to Amman Tuesday from Saudi Arabia where he held talks with King Khaled, Crown Prince Fahd and other senior officials at the King's desert camp.

King Hussein was seen off by King Khaled, Prince Fahd, Prince Abdullah, second deputy premier and commander of the royal cabinet, Sharif Abdul

Hamid Sharaf.

No details were issued on the talks, but shortly before King Hussein left Amman for Saudi Arabia Monday, the Jordanian royal palace said the talks would cover the Middle East, developments in Iran and the resolutions of the Baghdad summit as well as Saudi financial assistance to Jordan.

TEHRAN, Iran, Jan. 23 (Agencies) — Officers of the Iranian armed forces staged a show of force with the Imperial Guard Tuesday, vowing that the army will remain united and its soldiers will "shed their blood" to maintain the monarchy and the government of Prime Minister Shapour Bakhtiar.

A chief political aide to religious opposition leader Ayatollah Khomeini said, meanwhile, the strike paralyzing the Iranian economy will continue until Bakhtiar's government resigns and makes way for an Islamic republican regime named by Khomeini. He is expected to return here Friday from Paris after 15 years of self-imposed exile.

The British Embassy announced the Royal Air Force, on the advice of the Iranian military command, will Wednesday evacuate more than 200 foreigners, about one half of them Americans, from the strife-torn oil center of Ahwaz to Bahrain on the Gulf. (See related stories, page three.)

In an unusual military demonstration held mainly for foreign reporters, Maj. Gen. Ali Nashat paraded 1,000 of his elite troops near the Shah's Niavaran Palace. In driving, wet snow, the troops shouted "long live the Shah" as they raced across obstacle courses and marched in a goose-stepping review.

"Our job is to protect and guard his majesty and the government," said Nashat. "His majesty has left on another of his regular vacations and the troops see it that way. When his majesty comes back, the troops will be here, ready as always, to shed their blood for him."

The Shah left Iran last Tuesday and is now in Morocco.

Colonels, majors and captains of the guard, numbering 12,000 men and said to be the most loyal of the country's 430,000 troops, expressed similar sentiments.

"Every one of these men

supports the Shah 100 percent," said one captain observing the military demonstration.

Gen. Abbas Gharbaghi, the chief of the armed forces, called on the 430,000-man army Monday night to defend Bakhtiar's government against Khomeini's attempts to replace it.

The 78-year-old religious leader, who has led the uprising against the Shah, has appealed to the men of the armed forces to support his crusade to convert Iran to an Islamic republic with a government named by him.

In Paris while promising a triumphal return to Iran by Khomeini Friday, the leader's aides conceded Tuesday that he faced some threat from pro-Shah groups, and there were problems finding an airline to carry him home.

Until now, Khomeini aides have laughed off any notion that the exiled leader could face opposition in Iran, where they claim he is universally revered.

But in reaction to reports from Tehran of violence by pro-Shah groups opposed to Khomeini, his chief aide Ibrahim Yazdi said, "well you know, it is a critical stage of our struggle."

He said earlier plans to fly the 78-year-old Khomeini home by Iran Air had run into difficulties "from officials in Iran," and discussions were underway with Air France.

But when asked if there was a chance Khomeini's return

would be delayed beyond Friday he replied: "no."

Underscoring the alleged threat to Khomeini, French police sharpened their guard over him. Visitors had to undergo body searches and the number of gendarmes around the suburban Paris house where Khomeini lives in exile was doubled to about a dozen.

Yazdi also said Khomeini will never cooperate with Iran's Communist Tudeh Party. (Continued on back page)

ty because it is the party of "treason."

Yazdi shrugged off press reports that Tudeh Party officials say their own Marxist program and Khomeini's Islamic program are so similar that adherents of both can and should work together. "We've never cooperated with the Tudeh Party and we shall never cooperate with them," Yazdi told reporters. "They have committed trea-

(Continued on back page)



SUPPORTING THE SHAH: Two Iranian soldiers display a portrait of the Shah, during a military parade near the Imperial Palace in Tehran Tuesday. (Wirephoto)

Sustained bombardment

Israelis pound S. Lebanon

BEIRUT, Jan. 23 (Agencies) — Israeli gunners pounded Palestinian targets over a wide area of south Lebanon Tuesday in their most sustained artillery bombardment since the Israeli invasion of the south last March.

The action followed a commando rocket attack against the north Israeli town of Kiryat Shmona that damaged a school but caused no causal-

ties. It also coincided with a warning from Israeli Defense Minister Ezer Weizman that Israeli gunners would hit purposefully at civilian targets if the Palestinians continued to rocket areas such as Kiryat Shmona. Accurate casualty figures for the bombardments — which poured on the south from the muzzles not only of Israeli long-range artillery across the border but also from the powerful cannons of gunboats offshore — were impossible to obtain, but believed to be heavy.

Although outgunned, the Palestinians returned fire, especially against the Israeli-backed rightist-held border towns of Marjayoun and Kleieh, which were participating in the Israeli bombardments.

One witness in southeast Hasbaya said that shells were falling on Palestinian positions at the towns of Nabatiyeh, Aishieh and the Beaufort Castle area "at an average of eight shells a minute." He reported a heavy pall of smoke over the region.

In southwest Tyre, another witness counted "10 shells a minute on the Rashidieh and Borje Chemali (Palestinian) camps."

"Several houses have been destroyed and there is a heavy pall of smoke over a large area," the report from the southeast said.

From Tyre, considerable structural damage was also reported from the sustained and intensive shelling.

There are enormous fires and huge columns of smoke," the Tyre witness said.

Although the Palestinians and Israelis have been exchanging artillery fire for the past three days in the wake of an Israeli strike into Lebanon last Friday, the bombardments Tuesday were particularly intense.

Political sources in Beirut said a Syrian soldier of the 30,000-man Arab Deterrent Force in Lebanon was wounded by Israeli shelling Monday night near the Syrian outpost at Rithan in southeast Lebanon — the post is the southernmost Syrian position, about 17 kms. from the Israeli border.

Border violence escalated dramatically in recent weeks and some Arab analysts linked the deterioration to the current peace talks, on the theory that the Israelis felt less compelled to exercise restraint than when delicate negotiations were underway.

Seeking to defuse the situation, Lebanese Foreign Minister Fuad Butros Tuesday called in the ambassadors of five powers represented on the United Nations Security Council — Britain, China, France, the Soviet Union and the United States.

Participants at the meetings said the United States had pledged to use its influence outside Lebanon to try to curb hostilities in the south. The minister had appealed for the five powers to help end the fighting.

PNC meeting fails to resolve struggle

DAMASCUS, Jan. 23 (R) — Leaders of the Palestine Liberation Organization Tuesday failed to resolve a power struggle between rival commando groups.

An eight-day conference of the Palestine National Council (PNC), the organization's parliament-in-exile, ended in deadlock over demands by minority groups for a greater say in policy-making.

Grim-faced delegates who emerged from a marathon final session early Tuesday morning told reporters they had been unable to agree on the composition of a new executive committee, the PLO's supreme Zaki Yamani.

Sheikh Yamani said in a Canadian television interview broadcast on Tuesday night that in the 1980s the availability of oil would be a bigger problem than its cost.

"Some nations will pay any amount of money just to get the oil and they won't be able to find it," he said.

Higher prices would prepare the world for when there was not enough oil to go around, he added.

Sheikh Yamani said Saudi Arabia would not be happy until its oil wealth had produced something of lasting importance.

"Unless we create the manpower, technology and an educated Saudi class we won't be rich," he said.

Spokesmen for the hard-liners, who indirectly accused Arafat last year of dictatorship, said PLO had rejected all pro-

pols which would have weakened its control of the executive.

Yasser Abd Rabbo, a leader of the Democratic Front for the Liberation of Palestine (DFLP), told a press conference that all efforts to secure a seat for the Popular Front (PFLP) had failed.

The PFLP quit the committee four years ago in protest against its comparatively moderate policies.

Abd Rabbo, the DFLP's only representative on the executive, said the outcome conflicted with the spirit of unity inherent in the approved political program.

They said the council had unanimously adopted a program for future political and military action, but its execution was thrown in doubt by the deep divisions over power-sharing.

The conference decided to retain the existing 15-man committee, which is dominated by PLO chairman Yasser Arafat's Fateh organization, to the anger of the smaller but more radical groups.

Spokesmen for the hard-liners, who indirectly accused Arafat last year of dictatorship, said PLO had rejected all pro-

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Within 6 months

SABIC gives nod to steel plant

By a Staff Reporter

RIYADH, Jan. 23 — Saudi Arabia's industrialization program moved a step closer to fruition Tuesday when the board of directors of the Saudi Arabian Basic Industries Corporation gave its approval for the construction of a \$300 million steel plant at Jubail.

The SABIC board, chaired by Minister of Industry and Electricity Dr. Ghazi Algoosa, directed that construction of the mill should begin within six months.

The mill is an integral part of the Kingdom's new industrial city planned at Jubail. It will be the first ore-processing plant in the country and is set to produce 850,000 metric tons of steel concrete reinforcing bars for the Saudi construction industry.

Negotiations, studies and construction bids for the mill have been under analysis since 1975, but it was not until Tuesday's SABIC meeting that the final hurdle was cleared.

Sultan to open Saudia training center March 15

JEDDAH, Jan. 23 (SPA) —

Minister of Defense and Aviation Prince Sultan will open Saudi's new cockpit and flight services training center here on March 15, the airline announced Tuesday.

The SR 140 million training center provides equipment valued at SR 160 million for training of pilots, engineers and cabin crew.

The training facilities include three actual-size aircraft interiors for cabin staff, flight simulators and emergency exit procedure equipment.

Saudi crew members — captains, co-pilots and flight engineers — now number 432 with stewards and stewardesses numbering 1,200.

SABIC estimated in its annual report for 1977 that the plant would cost \$300 million to build, but that figure is subject to change as bidders are selected for the construction phase. The mill should begin operations sometime during 1982.

SABIC will be the majority shareholder in the project, in a partnership with the Korf-Stahl AG company of Baden-Baden, West Germany, and DEG, a West German state development company.

Willy Korf, a German industrialist who owns 70 per cent of Korf-Stahl (the Kuwait

government owns the other 30 per cent), is the holder of the Midrex direct-process steel patent, a system of steel making that involves heavy consumption of natural gas rather than coal. The Jubail plant will use the Midrex process and rely on the Kingdom's mammoth natural gas collection system for fuel.

Construction of the mill is expected to commence in two major components. The first involves building a sponge iron reduction unit (or gas phase in iron treatment). The Lungi company of West Germany was invited to bid on this phase of the plant's construction. Six international firms have been invited to bid on the steel-rolling phase of the plant.

SABIC officials hope the plant will eventually get all of its iron needs from a mine under consideration at Wadi Sawan in the northern Hejaz. Initial iron ore supplies may be imported from Brazil and other sources, according to SABIC officials.

The mill will provide hundreds of jobs in the Eastern Province when fully operational.

Kingdom, Kuwait view free travel

JEDDAH, Jan. 23 (SPA) — Contacts are under way between Saudi Arabia and Kuwait, for the issue of joint identity cards, according to Interior Minister Prince Naif.

The prince was quoted by "Al-Riyadh" newspaper Tuesday as saying that similar consultations are underway for the free movement of nationals between the Kingdom and Kuwait. Prince Naif said he hoped the cards would eventually be used for all travel between Gulf states by Gulf nationals.

Saudi-Italian commission meets

ROME, Jan. 23 (SPA) — The Saudi-Italian Joint Commission discussed increased cooperation between the two countries at a meeting at the Italian Foreign Ministry here Tuesday. Sheikh Khaled Nasser Al-Turki, ambassador to Italy, the Saudi side. The joint commission meetings opened here Monday.

Saudi mission equips Yemen clinic

SANA, Jan. 23 (SPA) — A Saudi health delegation led by Dr. Asad Mustafa Tuesday handed over medical equipment and furniture for the Juhana Clinic here. The clinic has been set up by the Kingdom as part of its medical assistance to North Yemen.



SHIP-BORNE: Mecca Deputy Governor Prince Saad ibn Abdul Mohsen Tuesday touring exhibits at the floating Dutch trade fair which docked at Jeddah Port Tuesday.

Well attended

Dutch trade exhibit docks at Jeddah

By a Staff Reporter

JEDDAH, Jan. 23 — Businessmen and other visitors from all over the Kingdom came to Jeddah Port Tuesday to attend the opening of a unique Dutch trade exhibition.

The exhibition, on a converted Swedish ferry, is the first of its kind, officials of the Dutch Ministry of Economics said. It brings together representatives from 200 firms.

Dutch exports to Saudi Arabia in 1977 — the last year for which complete figures are available — totaled \$427 million, and the traders on board said they hoped to increase that considerably.

The exhibition will also visit Damman and other ports along the Arabian peninsula after it leaves Jeddah Friday. On board are two decks of stalls exhibiting products ranging from food and consumer goods to heavy industrial machinery.

Dutch officials said the exhibits cost a total of \$5 million and the trip took more than two years to plan. They said the Netherlands government is paying 30 per cent of the cost.

The exhibition was formally inaugurated by Deputy Governor of Mecca Prince Saad ibn Abdul Mohsen and Dutch Minister of State for Foreign Trade Dr. K.H. Beyen. Prince Saad stepped a ribbon over

a hatchway leading from one of the main decks to the exhibition floor to open it and was then taken on a tour of the two decks of company stalls.

The exhibition, on board the Swedish ship M.V. Tor Scandinavia, was well attended Tuesday, with many manufacturers reporting they were already getting signs of interest in their products from Saudi customers.

After leaving Jeddah, the Tor Scandinavia will sail to Abu Dhabi, where it will be open on Tuesday, Jan. 30. After that it will be in Dubai on Jan. 31 and Feb. 1. Doha on Feb. 2 and 3, Bahrain on Feb. 4 and 5, and Dumman Feb. 6 and 7. Its last port of call, from Feb. 8-11, will be Kuwait.

It will return to Amsterdam, from which it sailed ten days ago.

Officials at the exhibition said they expect most of the Dutch businessmen on board to return to Saudi Arabia soon to follow up on contacts they may make during the stops here.

Ministry sets SR12m for local charities

RIYADH, Jan. 23 (SPA) — Minister of Labor and Social Affairs Sheikh Ibrahim Al-Anqari Tuesday issued a decree granting registered philanthropic societies in Saudi Arabia aid in cash and kind totaling SR12 million.

Assistance to philanthropic societies in Saudi Arabia is 30 per cent higher this year than last year, the minister said.

He also approved the setting up of the Al-Iman Philanthropic Society in Riyadh, chaired by Prince Muhammad Al-Faisal, and the establishment of a similar society in Mecca which intends to build a hospital and a housing complex for the poor and to give out

Anqari returned here Tuesday afternoon from Doha after leading the Kingdom's delegation to a three day conference of Gulf labor and social affairs ministers.

The conference ended Monday with a call for close coordination in social and labor welfare.

Conference officials said the ministers had also referred to an expert committee plans to establish two regional centers — one for social research and training and the second for social welfare and labor planning.

It's a lock-up

JEDDAH, Jan. 23 (R) — Employees of the Jeddah branch of the Agricultural Credit Bank here slept overnight inside the bank when the guard closed the gates and left for home.

"Al-Medina" newspaper said that there was still staff inside the bank situated opposite the Jeddah Central Prison.



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iran dissidents surrender after 24-hour India siege

MOMBAY, India, Jan. 23 (UPI) — Police arrested twelve Iranian students Tuesday after they ended a 24-hour takeover of the Iranian Consulate General here and released consular employees they had taken.

In students, members of the Iranian Islamic Association, demonstrating against Prime Minister Shah Rukh Bakhtiar, charged him carrying out "pro-American policies." They also called the creation of an Islamic state in Iran.

Embassy officials allowed 15 persons to enter the building, an Iranian reporter said. Once

students stormed into consulate in downtown

Tehran, Ethiopia arrange

lks to discuss dispute

IRO, Jan. 23 (UPI) —

Dept. Laafar Numeiri of a will meet Ethiopian Prime Minister Mengistu Haile Mariam to discuss the dispute between the two countries.

Vice-President Raoul Al-Taher says, reporting from Khartoum, Middle East News Agency (NA) said that Taher expected his meeting to take place during the week of next month in

own, the capital of Sierra Leone, will produce positive

results.

The dispute centers on Eritrea, which has struggled for

secession from the central

regime in Ethiopia for the last

seventeen years. The secessionist movement there is facing

a crackdown by the Ethiopian

regime. Sudan, bordering on

Eritrea, sympathizes with the

Eritreans, some of whom sought

refuge in its eastern regions.

Taher also said that the aim

of the meeting was to normalize

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As Cambodia fighting continues

U.S. to raise military aid to Thais

WASHINGTON, Jan. 23 (R) — The United States will increase its military assistance to Thailand following the Vietnamese-led insurgency in Cambodia.

State Department spokesman Hodding Carter said the United States had decided to make what he called a small increase to the \$24 million military assistance program already approved for Thailand in the fiscal year which ends Sept. 30.

President Carter said last Wednesday he was "very interested in seeing the integrity of Thailand protected."

He also said that the United

States had warned the Soviet Union and Vietnam about the effect of the fighting on Thailand.

The exact size of the increase was not disclosed.

But the Cambodian fighting continues. In Bangkok Tuesday informed sources said troops loyal to Prime Minister Pol Pot have launched attacks on Vietnamese and rebel forces around several major towns.

They said they believed there was fighting around Takhmau, only 12 kilometers from Phnom Penh.

But some of the sources said that the level of fighting appeared

ed to be dropping.

They said there were signs that Khmer Rouge units were breaking down into smaller units to carry out guerrilla harassment of the forces that captured almost all vital points in the country in less than a month.

The Vietnamese army newspaper "Quandoi Nhan Dan" Tuesday accused China of fabricating reports that Pol Pot's forces were conducting a guerrilla war against the newly installed pro-Hanoi administration in Phnom Penh.

A psychological warfare campaign is being whipped up

by Peking to distort the situation," the newspaper said.

Radio Hanoi quoted the SPK news agency of the new administration in Phnom Penh as saying that the port of Kompong Som, once Pol Pot's major route for receiving Chinese supplies, was "completely liberated."

This was the second time SPK had given such a report, the first coming shortly after Radio Hanoi's announcement of the fall of Phnom Penh on Jan. 7.

According to diplomats, Khmer Rouge troops briefly re-took the city last week.

Ieng Sary, Pol Pot's deputy prime minister in the old Peking-backed government, said last week that the loss of the port would pose supply problems for the Khmer Rouge.

The sources in Bangkok believed that the Khmer Rouge were beginning to run short of ammunition.

A Thai district officer at the eastern border town of Aranyaprathet said that the Khmer Rouge had recaptured part of Ban Nimit, a village just 15 kilometers from the frontier, which served as their military headquarters for the area.

Thai military sources said the town of Pailin, once the gemstone capital of Cambodia, had been largely destroyed by fire, but it was not certain whether it was occupied by the insurgent forces.

Tanzania reports fighting

Amin foiled army conspiracy, exiles say

At a stormy meeting later when Amin was confronted by the plotters — who still carried their arms — they accused him of plunging the country into chaos, the sources said.

They admitted their plan to remove him.

While the meeting took place, armed soldiers loyal to Amin and others supporting the rebels waited outside the building, the sources said.

The exile sources named the ringleaders of the plot as Maj. Gen. Yusuf Gowon and Brig. Isaac Malayamungu, but they had no further details.

The sources also said there had been explosions in Kampala aimed at destroying vital installations and one blast had damaged Uganda's radio network.

Radio monitoring services in Nairobi said Uganda's shortwave service resumed Monday after being off the air for two days.

Ugandan exile sources said

at the weekend that tight security precautions had been introduced throughout the country after two appeals from deposed President Milton Obote, for a rebellion to unseat Amin.

Obote lives in exile in Tanzania.

Next Thursday is the eighth anniversary of the military coup in which he was ousted by Amin.

In Dar es Salaam, Tuesday, Tanzania made its first acknowledgement of Ugandan claims of an invasion, saying heavy border fighting had broken out between Tanzanian forces and Ugandan troops.

A statement said a number of Amin's troops had been captured.

Ugandan troops "had again tried to invade Tanzania as the Mutukulu, Kunyuni and Mazingiro areas," the Tanzanian statement said.

Mondays statement was the first Tanzanian acknowledgement of new fighting. Radio



THAILAND: Khmer Rouge soldiers who fled over the border from Cambodia before the advancing Vietnamese and Cambodian rebel armies. Monday the United States announced it would increase military aid to Bangkok because of the fighting. —AP photo

Suspected of selling Vietnamese freedom

Alleged refugee gang nabbed

HONG KONG, Jan. 23 (R) — Hong Kong police, investigating suspected racketeers carrying refugees from Vietnam, have arrested two men, believed to be overseas Chinese.

An official said Tuesday, "two people were arrested in Hong Kong last Saturday in connection with enquiries into the possibility of a racket in human cargo from Vietnam. They are now out on bail."

The official said the refugees are all being questioned by police as part of the immigration processing. Almost 3,000 have been taken off the ship and the rest are expected to be landed and taken to an old Royal Air force barracks here by the end of Tuesday.

Australian Immigration Minister Michael MacKellar has alleged that the Huey Fong's human cargo was part of an officially-sanctioned Vietnamese organization running the mass exodus of "boat people" from the country.

The Huey Fong's captain has told the Hong Kong authorities that he picked up the refugees from nine fishing boats.

NAPLES, Jan. 23 (AP) — Naples "mystery disease" has claimed its 41st victim in a year with the death of five-month-old Giulia Festa.

She was one of two infants to come over the weekend. She succumbed after the death Sunday of nine-month-old Rosa Cozzolino. Both died in a hospital.

Doctors say the disease, first

S. Africa will take Rhodesian wounded

SALISBURY, Jan. 23 (AP) — Prime Minister Ian Smith has assured anxious whites that South Africa had agreed to care for Rhodesian war cripples in the event of a collapse of law and order.

Smith, on the campaign trail for a "yes" vote in the Jan. 30 white referendum on the proposed majority rule constitution for "Zimbabwe-Rhodesia," was addressing white farmers in the northwestern town of Karoi.

"What will happen to our many windows and victory of the war if we wind up at Best Bridge with our cars and suitcases?" asked one of the heavily armed farmers.

Best Bridge is Rhodesia's major border crossing to South Africa, and the route many white Rhodesians take in their swelling exodus from the worsening war.

Smith said his government had done "a lot of work" on the question of war wounded and had sent a cabinet minister to South Africa about it.

"I am pleased to be able to tell you we managed to come to a very generous agreement with our South African friends," he said to loud applause.

In Cape Town, South African Prime Minister Pieter Botha responded to reports of Smith's statement by saying only, "I hope there will not be a breakdown of civil order in Rhodesia. Should that happen, we will naturally, as good neighbors, act in the best South African tradition."

Mystery disease claims 41st young Naples child

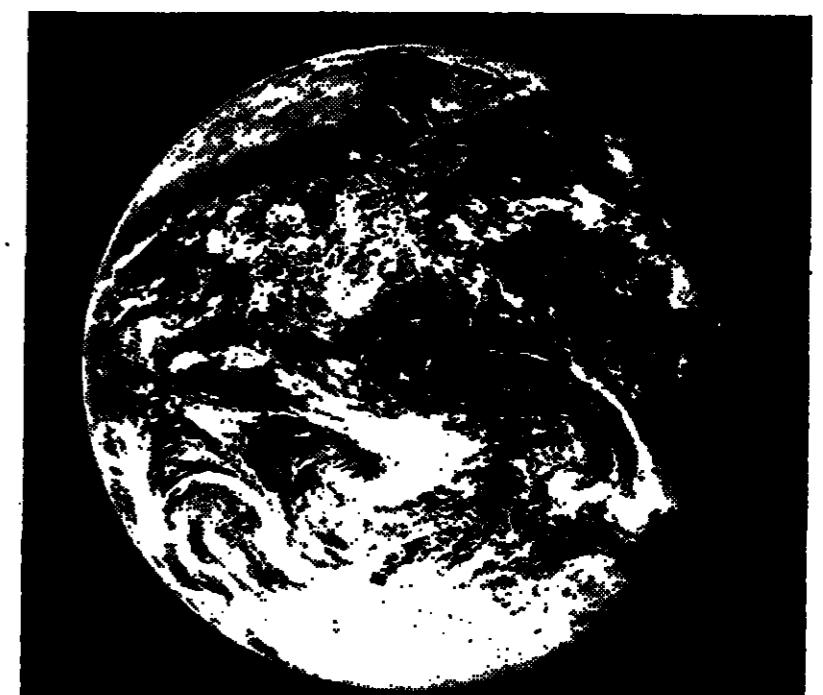
detected a year ago, is probably caused by a virus so far unidentified.

All the victims have been undernourished infants or young children from poor families.

The Ministry of Health has launched an investigation.

The symptoms are coughing and high fever that eventually lead to heart failure.

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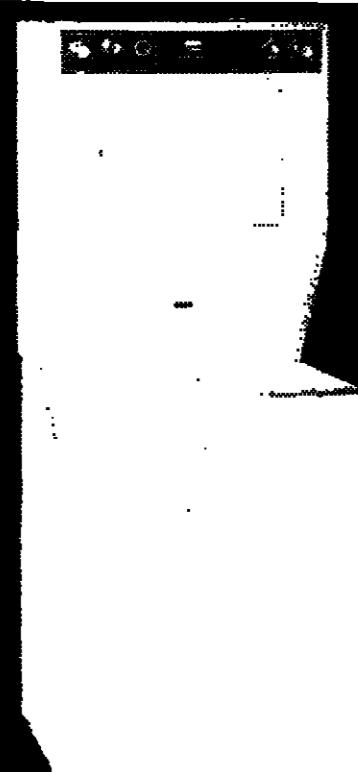
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SALT appeal anticipated in State of Union speech

WASHINGTON, Jan. 23 (Agencies) — President Carter goes before Congress Tuesday night to deliver his State of the Union address expected to include an appeal for approval of a new strategic arms limitation treaty (SALT) with the Soviet Union.

Officials said he would try to overcome Senate misgivings over SALT II even before completion of the treaty by stressing that the budget he submitted Monday increases defense spending by 10 per cent to \$122.7 billion in 1980.

Carter will discuss the need to improve relations with the Soviet Union and the opening of nominal relations with China, as well as his urgent request for congressional cooperation with his program to control inflation.

Another key issue was how he proposed to deal with world troubles, especially the turmoil in Iran.

Carter's decision to seek support for a new SALT accord while the United States and the Soviet Union are still bickering over final details was aimed at blunting serious reservations already voiced by some powerful senators.

Opponents of the proposed accord, which will build on the first SALT agreement signed in 1972, remain to be



President Carter

convinced that the president is not giving too much away to the Russians.

Carter apparently hopes that the defense portion of his overall \$531.4 billion budget will sway SALT opponents that he does not intend to permit the United States to become militarily inferior to Moscow.

In an unprecedented decision, the president decided to deliver his State of the Union address to Congress after submittal of his budget.

Meanwhile, the chairmen of the congressional budget-making committees endorsed President Carter's call Monday for slashing the federal deficit. But they cautioned that

spending will have to rise if a recession threatens.

Although members of the Congress generally showed support for the president's goal of cutting the growth of federal spending, there was some powerful dissent over how to do it. The reactions indicated a fight can be expected this year on the priorities assigned to defense and social spending.

Thomas O'Neill, speaker of the House of Representatives, immediately found fault with Carter's proposals to pare some job-creation programs and some social security benefits.

"I didn't become speaker of the House to dismantle programs I fought for all my life," he said.

Conservatives scoffed at Carter's description of the budget as lean and austere, including Sen. Edward Kennedy said the disadvantaged should not have to carry the burden of fighting inflation.

Said Kennedy: "The budget contains wasteful increases in defense spending and no reductions in wasteful tax spending — two of the most obvious areas where alternative budget cuts could be made instead of the excessive reductions imposed on more important domestic programs."

Soviet defense funds outstrip

U.S. by 45%, CIA study says

WASHINGTON, Jan. 23 (AP) — The U.S. Central Intelligence Agency estimates the Soviet Union spent the equivalent of \$146 billion for defense last year, 45 per cent more than the United States' \$102 billion.

A CIA analysis released Monday estimates the Soviets spent twice as much for strategic nuclear forces and twice as much for non-nuclear armaments.

The Soviets spent more for nuclear land missiles, short-range nuclear bombers, land forces, naval forces, and for

tanks and other mobility forces, charts in the analysis indicate.

The United States spent more for long-range nuclear bombers and tactical jet fighters, according to the analysts.

But the CIA said that while the higher Soviet military spending is obviously related to capability, the spending alone does not mean the Soviets are superior.

It said that assessment would have to compare defense strategy, battle scenarios, tactical readiness, weapons

effectiveness, supply, morale and a number of other considerations.

The CIA also said U.S. spending was higher for support forces primarily for the U.S. Coast Guard, headquarters personnel, supply units and foreign military aid.

Rep. Melvin Price, a Democrat, and chairman of the House Armed Services committee, and Bob Wilson, the committee's ranking Republican, released the report.

The analysis said Soviet defense spending has steadily increased an average of 3 per cent a year for the last 10 while U.S. defense spending, not accounting for inflation, went down.

Measured in constant 1978 dollars to eliminate the inflation factor, the CIA charts indicate U.S. defense spending dropped from about \$139 billion during the Vietnam War in 1968 to about \$99 billion in 1977 and then rose 3 per cent last year.

Soviet defense activities caught up with U.S. defense outlays in 1971 and exceeded them by a widening margin until 1977, the CIA said.

The analysis lists no dollar figures except for the totals but its charts indicate the Soviets spent about \$12 billion for strategic forces compared to the United States' \$6 billion and about \$60 billion for non-nuclear forces to this country's \$30 billion.

The analysis said there could be an error of 10 per cent in the dollar figures for Soviet spending, which was estimated on the basis of what the same defense activities would cost if conducted by the United States.

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EGG SHELLLED: Taiwanese pelt the U.S. delegation which came to discuss future relations in late December. Now, key senators are supporting a bill to warn China against attacking the island. (UPI photo)

Rain-swollen rivers recede

U.S. starts to shake itself dry

NEW YORK, Jan. 23 (AP)

Rain-swollen rivers were receding Tuesday as America's northeast struggled to deal with flooding spawned by a heavy weekend downpour. Families in three states were forced to abandon their homes and air auto and rail traffic were tangled in the storm.

At least 18 persons were killed in weather-related accidents, and the rain transformed some highways into rivers in the populous Northeast Corridor from Virginia through Massachusetts.

The region had braced for a taste of the heavy snow which battered the Midwest last week, but warm ocean winds turned the snow into sleet and rain as temperatures climbed Sunday into the 40s and 50s.

Two hundred people left their homes in the Boston suburb of Chelsea Sunday after more than six centimeters of steady rain, but officials said this morning they should be able to return by Tuesday. Subways shut down between Cambridge, Mass., and Boston as water seeped into tunnels.

One woman drowned in Stratford, Connecticut, when she was riding in skidded into a flooded railroad waduct.

About 30 families were forced to leave their homes in Stratford because of rising flood waters. Similar evacuations were ordered in several other coastal communities near the New York metropolitan area.

In Lodi, New Jersey, an estimated 200 persons evacuated because of the flooding. Saddle River were allowed to return home Monday. The river crested at 9 feet — 4 feet above flood stage — but had

receded by Monday morning.

In the Southwest, as many as 700 families at the Navajo Indian reservation in northeast Arizona were trapped in high mud and water following four days of rain and the collapse of two earthen dams.

Authorities said the National Guard was bringing supplies to the stranded tribe by helicopter.

U.S. sues Peoples Temple for \$4.5 million expenses

WASHINGTON, Jan. 23 (R)

— The government has filed suit against Peoples Temple of California for more than \$4.2 million to cover the cost of flying back from Guyana the bodies of more than 900 sect members who died in a mass murder suicide in November.

The suit, filed in U.S. District Court in San Francisco and announced here, alleged that the leader of the group, the Rev. Jim Jones, "did intentionally, negligently or through willful and wanton conduct abet or cause the death."

He — and by extension, the following he served — failed to protect Temple members from unnecessary injury or death, the suit charged.

"Because of the failure of the defendant Peoples Temple ... to perform its duties," the complaint said, the U.S. government "for reasons including public health, safety and decency, did perform such acts with the intent to be paid therefore."

Besides transport planes and troopers who collected the bodies at the Jonestown Peoples Temple commune in Guyana, the government's costs included the services of a team of FBI agents who did most of the identification work.

Key Senators rally to Taipei's defense

WASHINGTON, Jan. 23 (AP)

Earlier, Senators Edward Kennedy and Alan Cranston, who, like Church, are among the Senate's top Liberal Democrats, announced their sponsorship of a resolution declaring that the United States expects the Taiwan issue to be settled peacefully and that an armed attack against it "would represent a danger to the stability and peace of the area."

Separate proposals were introduced Monday by three of the Senate's leading liberal members, giving Taiwan its first clear sign of sympathy and support from that position.

Sen. Frank Church, the Idaho Democrat who is the new chairman of the Senate Foreign Relations Committee, called for adoption of a resolution that would put the United States on record as expecting China to refrain from any armed action against Taiwan.

"Any attempt to use force in reuniting Taiwan with the mainland, or to pressure Taiwan by threats or coercion, will undoubtedly trigger retaliation by the Congress," Church said.

He said American support for the Carter administration's decision to normalize relations with China will depend on how China deals with Taiwan.

The expectation of a peaceful settlement "is the glue that holds the new policy together. Peking must be under no illusions," Church said.

France to join disarmament parley

PARIS, Jan. 23 (R) — France returns to regular international disarmament negotiations in Geneva Wednesday, ending a boycott started by the late President Charles de Gaulle 16 years ago.

The way was cleared for French participation when the United Nations decided last June to replace the 31-nation Geneva permanent conference with an enlarged committee.

Portugal, Angola sign trade pact

LISBON, Jan. 23 (AP) — Portugal and Angola signed a broad trade agreement Monday, in spite of strong reservations expressed by the Marxist government of Agostinho Neto in Luanda about its treatment by rightists in Portugal. Portuguese rightists have in the past protested any links with Angola.

Ex-China aide named liaison chief

PEKING, Jan. 23 (R) — Former Chinese Foreign Minister Ji Pengfei (Chi Peng-fei) has replaced Deputy-Premier Geng Biao (Keng Piao) as head of the Communist Party's international liaison department which deals with foreign communist organizations, reliable sources said Tuesday.

Zambia hunts for Rhodesia suspects

LUSAKA, Jan. 23 (AP) — Zambian security forces were continuing their search for suspected Rhodesian soldiers allegedly sighted last week in the southern portion of the country, the government-owned "Zambia Daily Mail" reported Tuesday.

Tycoon, surgeon kidnapped in Italy

LOCRI, Italy, Jan. 23 (R) — Two separate abductions at opposite ends of Italy have brought the country's kidnap total to seven in the past two weeks, police said. Dr. Francesco Morgante, 61, chief surgeon at the state hospital in this town in the toe of Italy, was snatched by a gang waiting for him in a car Monday evening. At almost the same moment, in the northern city of Brescia, Enrico Gnatti, 31, a wealthy industrialist, was abducted by four men.

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GENUINE UNITY

The meeting of the Palestine National Council has once more underlined the great difficulty of achieving genuine Palestinian unity. The problems facing the Palestinians vary from one session to the other but there are always enough of them every time to keep divided.

This time, the council session had before it a draft working paper on unity of action which was hammered out by a joint committee using three original drafts submitted by Fatah, the Popular Front for the Liberation of Palestine and the Democratic Front. The final draft reflected a minimum of agreement among the various Palestinian groups and was not expected to raise any serious objections. It upheld the principle of armed struggle against Israel, rejected the Camp David agreements and called for closer cooperation and coordination with the Jordanian government. Advocates of fresh contacts with Jordan pointed out the need to keep the Jordanian government away from the Egyptian-Israeli talks but the PFLP still expressed reservations, although the whole issue was not that important.

In the end, trouble focused not on the draft working paper, whose name was more ambitious than its actual content, but on the executive committee of the Palestine Liberation Organization, the all-powerful executive of the resistance movement. Fatah, which holds three seats and is supported by the independent members, controls the committee but it approached the latest council session determined to increase its direct representation from three to five seats to enjoy direct, rather than surrogate, control. Its plans were upset by other groups which wanted to increase their representation from one seat to two and even three, and by groups not on the executive which were clamoring for representation. In the past, the radical Palestinians did not care much for the executive committee and the Popular Front joined and quit the committee regularly. But as more Palestinians became convinced of the need for joint action, the henceforth dissident or dissenting groups decided that they must improve their representation at the committee.

As usual, the independent members paid the price. So far, Mr. Abdul Mohsen Abu Maizar, the committee spokesman and one of the Palestinian leaders sent into exile by the military government in the West Bank, has lost his seat. As usual too, a Palestinian problem that cannot be solved is put on ice. So apart from the squeezing of the independent members, the distribution of seats at the executive committee will not change significantly. Fatah will not relinquish effective control and the other groups will not cooperate fully on Fatah's terms.

In practical terms, this means that the sought-after Palestinian unity will have to wait for another session. This does not sound good but it is better than an open Palestinian rift which draws into the mire the Arab countries supporting the various groups. It is perhaps such inter-Arab alliances and affiliations that have kept the Palestinians from adopting a more unified stand toward the challenges facing them as a people. This is not an excuse for the Palestinians but a fact of Arab life.

Noise pollution

By Anthony Tucker
LONDON —

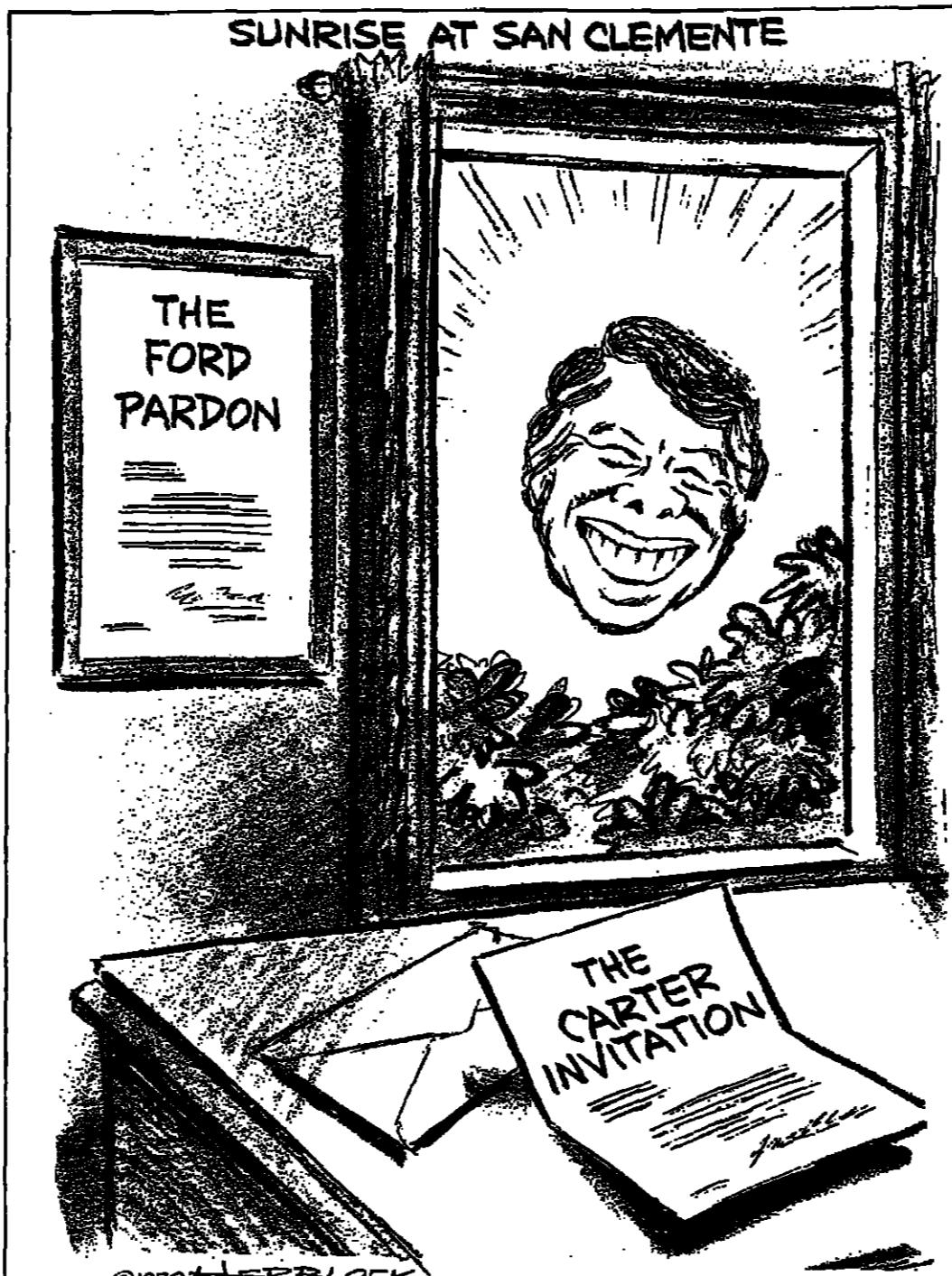
Noise reductions of aircraft, road vehicles and other equipment which disrupts the calm of urban life would be accelerated by the application of the principle that the polluter must pay, says a report from the Organization for Economic Cooperation and Development (OECD).

Prepared by a working party on noise abatement and now being presented to the OECD governments which represent the major parts of the industrialized world including Britain, most EEC countries, the U.S., Canada, Australia and Japan—the report says that noise charges levied against the operators of noisy transport fleets or other equipment would have two advantages. They would provide funds for compensation and for the improvement of insulation in affected houses or buildings and they would increase the pressure on operators to seek quieter aircraft, trucks or other equipment. Experimental schemes are already in operation in West Germany, France, Japan and at Manchester Airport in Britain.

The report, as do recent British and EEC studies, says

that aircraft noise around airports will continue to decrease in spite of increasing air travel because of the introduction of quiet aircraft, but adds that the systematic use of airport noise levies could increase the pressure for the development and introduction of improved technology. But it emphasizes that no comparable reduction is likely in road noise where any improvements through legislation in individual vehicles will be more than offset by increased traffic. This is important because traffic noise is now a major source of urban complaints.

Pointing out that the best solution to noise problems is to improve design—a point emphasized recently in Britain by the development of a prototype heavy goods vehicle whose noise level is not more than that of a saloon car—the report points out the difficulties likely to arise in attempting to frame legislation aimed at achieving effective reductions in urban noise levels. With almost every country in the OECD going its own way and carrying out experiments, the report appeals for legislative decisions to be based on clear, simple and practical criteria. (G)



Renewed disarmament talks

By Tony Anstis
GENEVA —

Ministers and diplomats from 39 countries met here Wednesday in a fresh attempt to avert the dangers of nuclear war and halt a global arms race that costs at least \$400 billion every year.

For the first time in 17 years France will take part in the revamped Geneva disarmament talks alongside others from nuclear powers Britain, the United States and the Soviet Union.

But China, the fifth country possessing atomic weapons, has not agreed to attend and observers say this will cast a shadow over the proceedings right from the start.

The enlarged Committee on Disarmament (COD), created by the United Nations General Assembly last year, is open to the five nuclear powers plus 35 other countries with each member taking the chair on a monthly basis in alphabetical order.

The old committee, which had expanded to 30 members from the original 17 when it wound up its work here last summer, had met continuously since 1962 but was boycotted by France and China because of its chairmanship, which alternated between the Soviet Union and United States.

French sources here said Foreign Minister Jean Francois-Poncet would attend the opening session to signal the importance France attaches to the new committee. "We hope it will be a real negotiating body rather than a forum of deliberation," one source added.

Other foreign ministers ex-

pected to take part in the ceremonial opening are Salim Hameed of Sri Lanka, Henri Simonet of Belgium, Andrew Peacock of Australia and Hans Björk of Sweden. U.N. officials said.

The new committee seeks the complete prohibition of all nuclear weapons tests and chemical weapons. The U.N. General Assembly has also asked it to find ways of protecting smaller countries against the threat of nuclear attack and stopping the production of fissile material for military purposes.

In 1963 three members of the old committee—Britain, the United States and the Soviet Union—signed a partial test ban treaty which banned nuclear tests in the atmosphere, outer space and under water. Since 1972 the committee has tried to extend this treaty to underground tests but failed to reach agreement.

Similarly, it debated for six years a treaty which would prohibit the development, storage and use of chemical weapons, but without success.

As well as its playing part in achieving the partial test ban treaty the committee also produced the 1968 Nuclear Non-Proliferation Treaty and the 1972 treaty banning nuclear weapons from the sea.

China will be officially absent when the 39 other delegations gather in the huge assembly hall at the U.N.'s European headquarters in Geneva on Wednesday, Chinese sources here said.

In April 1972 the Conference of the Committee on Disarmament (COD) as it was called, also negotiated a convention banning biological weapons and in May 1977 agreed to renounce using the weather as a weapon of war.

China is scathing about the

significance of these and other weapons limitation agreements between the United States and Soviet Union.

Peking took part in the U.N. General Assembly special session on disarmament last July, but said afterwards: "Many representatives showed with facts the feverish armament expansion and war preparations being carried out by the two supporters under cover of disarmament."

In an official statement distributed by the U.N., China added that there had been 228 resolutions on disarmament adopted by the world body since World War Two, as well as numerous bilateral and multilateral pacts.

"Despite all this, the armaments of the two superpowers, instead of reducing, have increased twofold or even tenfold," the Chinese statement added.

World spending on weapons during 1976, the last year for which statistics are available, totalled \$400 billion, according to the United States Arms Control and Disarmament Agency.

China will be officially absent when the 39 other delegations gather in the huge assembly hall at the U.N.'s European headquarters in Geneva on Wednesday, Chinese sources here said.

At the same time Peking has asked for a seat to be kept vacant with a nameplate for China, to be occupied when it thought fit, and U.N. officials here said it was possible Chinese representatives would attend as observers. (R)

saudi press review

"Ozar" dealt with King Hussein's visit to Saudi Arabia "in view of the changing international scene and increasing Israeli attacks on Arab lands and refused to consider the prospect of a just and lasting peace in the region."

The paper said that "it should be clear by now that Israel spurns the idea of peace because it relies on its brute force to perpetuate its occupation of Arab lands and its genocidal war against the Palestinian people. Israel has a strategy for expansion and control of more Arab lands and any meaningful peace will only hinder it from achieving its goals," the paper said.

"Al-Bilad," quoting excerpts from the Planning Minister's speech in Abu Dhabi on Saudi development plans, said: "It is reassuring to learn that the government has succeeded in providing a sound infrastructure which was one of our most important aspirations."

"Even more important," the paper added "we were able to reconcile between what we are and what we want to achieve and that is between fast development and stability without prejudice to our social structure and moral principles."

Calling for an indigenous arms industry, "Al-Bilad" said this is a priority for the Arab world "on account of the situation around it."

The paper said: "To us arms are as vital as food especially since the creation of the Zionist entity in our midst. Indigenous arms supplies are a necessity if we are to ensure our stability."

"Al-Jazeerah" said that the Saudi-Jordanian talks will have important political results and will take steps to carry out the resolutions of the Baghdad summit.

"Al-Riyadh," on the other hand, said the meeting came within the context of continuous Arab consultations. It called for "strenuous activity in the service of Arab issues which are presently going through a decisive phase."

A sobering homecoming

By John Rogers

TEHRAN —

Conflicting ideals in a seething and divided nation present complex problems for the exiled religious leader who plans to return to Iran on Friday and set up an Islamic republic without the Shah.

Ayatollah Khomeini holds the hearts of millions of Iranians in the towns and cities rebelling against the monarchy.

But his path to power could produce pitfalls following the tumult which cast up dozens of different leaders and political groups, all playing significant roles in the anti-Shah revolution.

The government has been condemned as illegal by Khomeini and rejected in the streets.

Yet many moderate Iranians, the United States and most other foreign countries back it as the only hope of a moderate solution.

Bakhtiar, 63-year-old former deputy of the National Front opposition party, has

warned that if Khomeini forces him from office, a military coup and widespread bloodshed will follow.

The armed forces are a major factor in the crisis.

Intensely loyal to the Shah, they are backing Bakhtiar's effort because the Shah appointed him—even though the new premier was anathema to most army generals only a few weeks ago.

Opponents of the Shah claim a considerable number of troops would back Khomeini if the crunch came.

There have been confirmed reports of desertions and mutiny—especially among conscripts—in the past few months.

If the Shah and his Pahlavi dynasty were to be overthrown for good, and an Islamic republic took their place, a monarchist rump would probably remain in Iran.

The Shah installed a nine-member regency council to stand in for him as head of state while he was away.

These respected elder statesmen, together with the govern-

EMS turns a slow green

By Murray Seeger

BRUSSELS —

A complicated, high-level controversy over European Common Market farm policy has delayed the start of the European Monetary System, which was announced with great fanfare only last month.

With agreement from eight of the nine Common Market members, the monetary system was scheduled to go into effect Jan. 2, but it is feared that the system may not get started until April.

The monetary system was conceived with the big French agricultural sector in mind—France produces more than a third of all the Common Market area's food—since World War Two, as well as numerous bilateral and multilateral pacts.

The shift came about because of the growing efficiency of the German farm economy and the telling effects of a change in the program—also to help the French—adopted a decade ago.

The change provided for payments called Monetary Compensatory Amounts to protect farmers against fluctuations in the value of their currencies. But recently the effect has been to provide a higher subsidy for the Germans—and others whose currencies have increased in value, such as the Belgians and Dutch—and a tax on the weaker members such

men: "... If anyone tampers with the constitution, he will get 430,000 wild ponies (soldiers) on their backsides. It could be the biggest international disaster since World War Two."

Some of the religious leaders inside Iran, led by Ayatollah Seyyed Kazem Shariat-Madar in Qom, would have been prepared a few months ago to accept a moderate solution—maintenance of a powerless monarch coupled with a greater legislative voice for the clergy.

But now they too appear to have been swept along by the momentum of Khomeini's revolution.

With a few exceptions, opposition politicians are expected to offer quiet support for the Islamic republic until there are free elections to a new parliament, promised by Khomeini.

Among those expected to play a role in the machinery of setting up the republic is Dr. Mehdi Bazargan, 73-year-old former head of the state oil company when anti-Shah Premier Mohammad Mossadegh was in power in the early 1950s.

Others who may have a part in the future power structure include Karim Sanjabi and Darioush Forouhar, leaders of the National Front party which supports the nationalist ideals of the late Mossadegh.

Then there are the student radicals, university lecturers, human rights activists, dissident lawyers and others whose actions, statements and campaigns helped build up the anti-Shah fervor to force the monarch to leave.

Among the students, there are already signs of frictions between largely religious groups and the left-wing activists.

Of the dozens of other parties and pressure groups that have sprung into the open in the past six months, few are likely to play an active immediate role. (R)

farm subsidy system.

British Foreign Secretary Dr. David Owen has warned that, even though Britain will not join the EMS, it would not agree to any solution to the farm subsidies problem unless it was part of a full reform of the whole EEC farm policy.

Farm subsidies account for three quarters of the Common Market budget. About \$12 billion a year is paid out to maintain farm income levels in the nine member countries.

The so-called Green Deutscher mark is now undervalued, while the so-called Green French franc is overvalued.

Under Common Market rules, farmers are guaranteed agreed prices. They can sell in the open market or to dealers who pay the guaranteed prices. Those who sell for export are also guaranteed minimum prices. When a German exporter sells at the true rate of exchange for the mark, and his subsidy is figured in lower Green marks, he gets a handsome subsidy in the form of a compensatory payment. A French exporter suffers the opposite effect.

By next year, when special transition benefits expire for the three newest Common Market members—Britain, Ireland and Denmark—Britain will suffer the most damaging effects of compensatory payments. (LAT)



Husband to wife: Daughters or clothes hangers?



Textiles from Pakistan's North West Frontier Province

By Jean Grant
DHAHRAN—The Silk Route. From the hub of Siang in ancient Cathay along the Great Wall of China. Past the sand flats of the Takla Makan desert. Through the glaciers of the Pamir Mountains into Afghanistan and on to the Levant. It was a highway of the world, a commercial link of no small intrigue connecting the markets of China with the ports of the Eastern Mediterranean.

A segment of this fabled road, travelled by the likes of adventurers such as Marco Polo, was opened recently—the Karakoram Highway between Pakistan and China. The two countries built the road as a cooperative venture. It was opened to foreigners two months ago by Pakistan President Zia Al Haq.

To celebrate the opening of a link in the Silk Route, the

Dhahran Outing Group is sponsoring a Pakistan Folklore Festival. Tapes of tribal music, textiles (both embroidery and weaving), rare tribal costumes and jewellery are among the 950 kilograms of artifacts brought over for the festival from the Pakistan Institute of Folk Heritage in Islamabad.

"Most people here are unaware of the heritage of Pakistan," said Karen Irwin, president of the Dhahran Outing Group. "I am trying to introduce people to this northern area of Pakistan, which has tremendous tourist potential."

Cost of the festival is being shared by the Dhahran Outing Group and Pakistan International Airways (PIA). "Without the help of PIA," said Mrs. Irwin, "we couldn't possibly have done it."

The festival opened Tuesday at the Aramco theater and auditorium areas of Dhahran, and will continue through Thursday. Activities include a slide presentation and narration by two guest speakers from the Institute, with a large folklore display at the Aramco auditorium next to the snack bar.

The Pakistan Institute of Folk Heritage, established in 1974, aims at collecting, preserving and disseminating Pakistani folklore. Everything from tribal music to jokes, riddles, proverbs and children's games is collected, representing, in the Institute's words, "hope for a country like Pakistan to build up a culture of its own...to concentrate on the popular and traditional foundations of culture."

The festival opened Tuesday at the Aramco theater and auditorium areas of Dhahran, and will continue through Thursday. Activities include a slide presentation and narration by two guest speakers from the Institute, with a large folklore display at the Aramco auditorium next to the snack bar.

The most famous of the Silk Road travellers was the young Venetian Marco Polo.

The record of his travels, a medieval best-seller, inspired Columbus to set off across the Atlantic to find a shorter route to the riches of Cathay.

Marco Polo dictated an account of his travels to Messer Rustichello, a cell-mate in Genoa where Polo was held as a prisoner of war. Rustichello polished up Polo's version.

The book records the spectacle of the Mongol empire of Kublai Khan at its height.

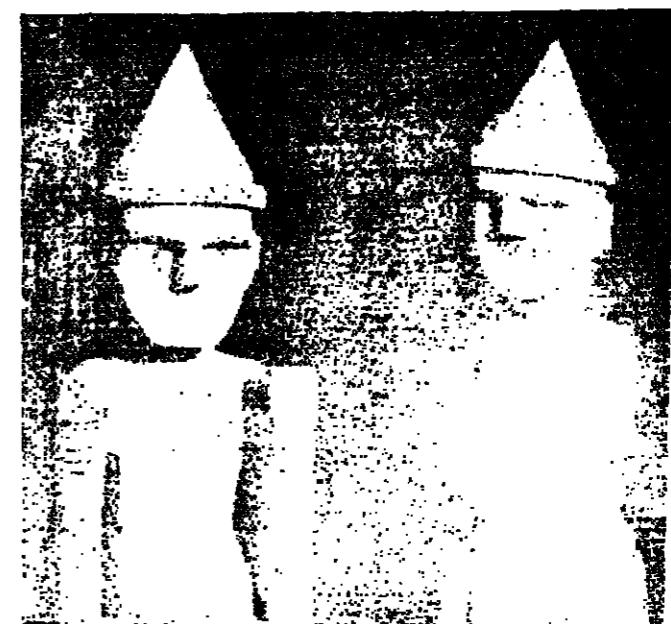
Polo's account is full of colorful curiosities: the gallant fathers of Volcan who looked after their newborn babies for the first 40 days because "a wife had had her share of trouble in carrying the infant in her womb for nine months."

Polo writes too of the strange oil in Baku which

is good for burning and as a salve for men and camels afflicted with itch. He is amazed by everything he sees, from asbestos to paper currency, from the efficient Imperial Post to coal, which he describes as "stones that burn like logs."

Polo presents a touching picture of Kublai Khan, whom he met in Peking. Though ruling with all the magnificence of a Ming Emperor, the homesick Khan had seeds of steppe grass sown in the courtyard of the Imperial Palace to remind him of his Tartar homeland. Even on his deathbed, Polo—whom most of his countrymen thought a liar or teller of tall tales—was urged to repudiate his travelogue-diary. Stubbornly he insisted, "I never told the half of what I saw."

Thanks to the two-lane new Karakoram Highway, travel on the Old Silk Road through the North-West Frontier Province of Pakistan is far safer, faster and more comfortable than ever before. The road uses the same mountain passes and river crossings as did the ancient caravan tract. One can travel at an average speed of 50 to 75 kilometers per hour, cross sturdy bridges, and find shelter at austere government rest houses or at the four-star Rakaposhi Lodge overlooking 8,500-meter Mount Rakaposhi.



Reminders of bandit days on the Silk Route

The new Karakoram Highway will benefit the whole region as well as the tourist. It should lead to an improvement in the economic conditions of this remote area by helping to exploit its mineral wealth, and to weld the regional tribes to the nation.

For the time being, however, one can find curiosities to whet the appetite of the adventurous tourist. In the Hunza mountains, for instance, tribesmen live to 150 or 160 years. In Chitral, the Kafir Klash tribe are thought to be the descendants of Alexander the Great.

Membership in the Dhahran Outing Group, a non-profit organization, is open to all. The group started 23 years ago with a membership of 22. The membership has now grown to 1,300, with branches in Ras Tanura and Abqaig. Monthly meetings are held in Dhahran and members come from as far as Riyadh, Taif and Jeddah to attend meetings and take part in group outings. The group sponsors many trips, with two scheduled for March to Pakistan and Afghanistan.

The display is open Wednesday from 10 a.m. to 8 p.m. and Thursday from 10 a.m. to 5 p.m. Admission is free and everyone is welcome.

Elegant dining at the Dhahran Ramada

By Barry Reynolds

DHAHRAN—The Falcon Restaurant at the Ramada Hotel in Dhahran is a somewhat excellent dining room experiencing growing pains caused by its early success.

Like many newly-established restaurants here, it opened with great fanfare but attracted a larger patronage than it could serve consistently well.

If one visits this establishment on a non-weekend evening, chances are that the cuisine and service will be first rate. We did so when the restaurant first opened and found everything exceptional.

On a recent weekend, however, flaws in an otherwise superb hostelry were evident. Due to a shortage of waiters, the service was spotty. For similar reasons in the kitchen, perhaps, the rolls were stale and the mixed salad—usually served stylishly from a trolley—was hastily slid onto our table already prepared. Furthermore, the salad's lettuce, tomatoes and peppers were soggy, giving the impression of having spent the afternoon in a hot kitchen.

Most irritating, though, was the huge jump in the price of steak and seafood since our earlier visit six weeks ago. The U.S. sirloin steak rose from SR 21 to SR 39 while the "Fisherman's Catch" jumped from SR 17 to SR 27.

Nevertheless, each member of our group managed to order something which gave cause for optimism. The soups—cream of chicken and minestrone—ordered à la carte, were both delicious and delicately seasoned—the mark of a master chef.

For a main dish our friends ordered the "Fisherman's Catch" fried prawns and hamour (a tender, white Gulf fish) served in a basket with choice of potatoes. The fish was fresh and succulent, though one might have wished for a wider variety of seafood.

The U.S. sirloin steak, though pricey at SR 39, is by far the best and most generous piece of beef available at any restaurant in this area. It was broiled to order, its juices intact and smothered in lightly breaded, fried onions.

Our other guests ordered Roast Duckling with Old English stuffing at SR 34. The duckling was prepared well, devoid of the grease inherent in that meat, but unfortunately tasted a trifle tough. Falcon's Head Chef, Leo Saunders, later explained why:

"The chief problem in ordering meats here," he said, "is that you can rarely get them fresh. They must be shipped in from abroad and ordering frozen is the only guarantee we have that they will keep. Frozen duck that has been in transit too long is sometimes tough."

Saunders explained that he did not have this problem at his last post as chef at the Bahrain Ramada Inn:

"In Bahrain I could personally have any produce I desired flown in from the continent. Here there are problems with customs (procedure)."

It is so slow, he says, that by the time officials get around

to inspecting the specially ordered produce, it has sometimes gone bad.

"Consequently," he said, "in order to ensure the minimum quality of our food, we must order it frozen through distributors."

He also said that the menu hike in U.S. steak was caused by the middleman raising his prices:

"As it was," Saunders stated, "we sold this steak at a loss for weeks before raising our price."

With the vegetables he orders from Lebanon through wholesale suppliers, he says he has had more luck:

"If your lettuce was soggy—and this rarely happens here—it might have been because the vegetable shipment was late. You can't freeze lettuce and we certainly can't afford to build a private greenhouse."

Saunders cited distributors' increases as the reason for the rise in fish as well:

"We buy fresh fish from the wharf at Qatif," he said. "If they raise their prices, so must we, or take a loss. When the price goes down, as we expect it will, I assure you we will lower our menu price as well."

Higher market prices are also the reason for the increase in the buffet luncheon—from SR 35 to SR 40. This very popular and hearty smorgasbord—all you can eat—is served daily from 12:00 noon till 2:30 p.m.

The head chef added that he tries to devise the daily specials to take advantage of his freshest produce:

"If there's any way I can lay my hands on fresh imported meat or produce, you will see it worked into a special dish," he promised. "We always try to do the best with what's available."

Certainly the Falcon Restaurant is one of this area's most elegant dining rooms. The decor is Gulf Maritime with oversized coral; colorful couches and fishing nets festooning the walls. Happily, the management has resisted the pernicious—and locally popular—temptation of close table arrangement. The result is a spacious floor plan with plushly cushioned tables or booths arranged in intimate circular formations.

As mentioned earlier, when the restaurant's full staff complement is on hand, the service is first class and highly professional.

Assistant manager Norbert Uhlig singles out the kingdom's labor shortage as his chief headache:

"Like many businesses in the area we are constantly frustrated by labor difficulties," he said. "For instance, we hire a man from abroad, pay his airfare, train him and then he jumps the company for the first higher salary offer. We can only pay so much for salaries before we're in the red."

The dessert and coffee—both Oriental and European—are a strong feature of the Ramada menu. The Dutch apple pie and fresh fruit salad are recommended.

All considered, the Falcon Restaurant is certainly an elegant eating experience.



NEW BROTHERS MARX: London's New End Theater opened this month's card with "A Night in the Ukraine," a comedy based on the riotous Marx Brothers' style. Pictured are comedienne Sheila Steafel as Harpo, John Bay as Groucho and Frank Lazarus as Chico.

oncorde fixes will seat more passengers

LONDON—A small change in the shape of the air intakes on Concorde's four engines will enable the supersonic liner to carry 30 to 35 tonal passengers on some Far Eastern flights, British Airways has said. The 10's fleet of five aircraft are being modified at a cost of about \$400,000 each by British Aerospace, which hopes to make a profit

on its own costs by selling the modification to Air France for its Concorde.

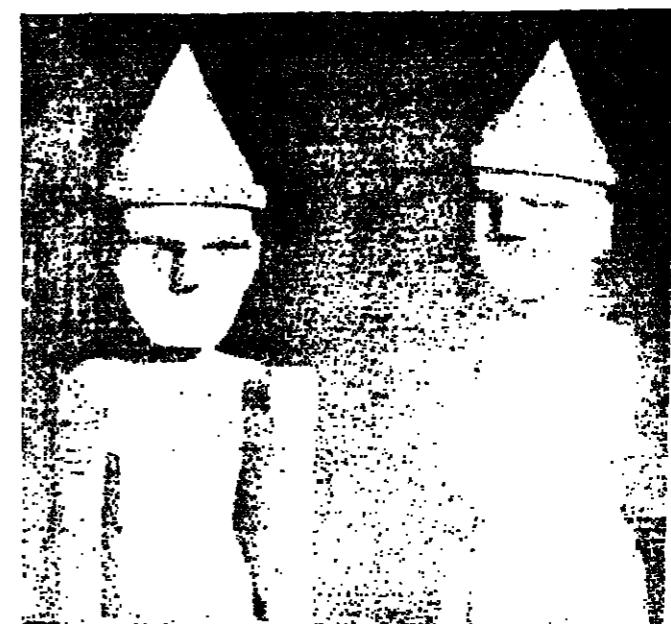
In the simplest terms, the redesigned intake has a thinner lower lip, enabling more air to reach the engines. It is the most powerful of several modifications that have quietly been developed by the Anglo-French manufacturer to refine the air liner's aerodynamics. In some circumstances, such as taking off on a hot day from Singapore bound for Bahrain (as part of the joint service with Singapore Airlines which begins on Wednesday) such improvements can be used to extend the aircraft's range by perhaps a couple of hundred miles. Flying out of New York for London, it may mean loading less fuel, which in turn means a faster climb and less of a noise bur-

den on the surrounding community.

Asked about the prospects for a Concorde Mark II to be built in collaboration with the Americans, Brian Irubshaw, Concorde director for British Aerospace said there was no clear plan and it was not clear why the French transport minister should recently have referred to such a project.—(G)

Arab News

A folklore festival of Pakistan



Reminders of bandit days on the Silk Route

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ANNOUNCEMENT

As the first English language newspaper in the Kingdom, "Arab News" has established itself as a complete information service and has earned the confidence of readers and advertisers.

"Arab News" has also sought to present a special economic service by publishing "Saudi Business" weekly which provides information for businessmen and economists inside and outside the Kingdom.

Their sister publication "Ashraq Al-Awsat" is the first truly international Arabic daily which, although only a few months old, has achieved wide circulation and is now printed in London and Jeddah and will soon be printed in the Gulf and Frankfurt, West Germany.

The three publications published by the Saudi Research and Marketing Company of Jeddah, have a large circulation and cover a wide geographic area of distribution through which advertisers can achieve brilliant results.

Saudi Research and Marketing Company and Tihama Company for Advertising, Public Relations and Marketing Studies, have reached an agreement under which Tihama will have the advertising franchise for the three publications as of April 1, 1979. Tihama will be the sole advertising representative for the three publications inside and outside Saudi Arabia.

Clients of the three publications are requested to contact Tihama in Jeddah, its branches in Riyadh, Dammam and Mecca or its representatives in Taif and Medina, for their advertising in these publications as of April 1, 1979.

Advertisers outside the Kingdom are requested to contact Tihama's head office in Jeddah and/or its office in London or any advertising agency abroad having representation arrangements with Tihama.

New advertising rates in the three publications will be effective March 1, 1979.

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Apartheid in practice

Judged by ancestry rather than merit

By Jack Foisse

"...Whereas you are not a member of the white group and therefore a disqualified person in respect to (this) area, your occupation of the land is illegal."

—citation issue in South Africa

PRETORIA, South Africa — Mutsamby Packery is an Indian businessman who, unable to find a house for his large family in the prescribed Indian housing area, has defied South Africa's Group Areas Act to rent a house in Pretoria's exclusive Hatfield district.

His white neighbors have complained and police are investigating. Packery's passport to travel abroad has been withdrawn.

At a press conference he called to express his determination to stay in his six-bedroom house (with swimming pool and tennis court) in the white area, Packery, who has six children, declared:

"Our society can no longer afford to judge a man solely by the color of his skin. Our society is by now sophisticated enough to be able to judge a man on his merit, and not the accident of his birth."

The Packery case is the latest—and perhaps the sternest—challenge to one of the foundation laws of South Africa's discriminatory race policy—apartheid.

Under apartheid, a system to assure that the minority white population remains dominant, all races live apart, and "develop" separately.

The Group Areas Act ensures that whites, blacks, Asians (mostly from India) and mixed-race coloreds go their separate ways after working hours.

The segregation of the races into their separate bedroom communities is a feature of every development plan in South Africa. From the air, the demarcation of racial boundaries is evident in any city, town or village. The nonwhite districts have streets that do not curve and small, foursquare houses of monochromatic grey or brown.

So ingrained is the structural way of life that even the complaining whites around the Packery house do not complain about the manners or the life-style of the Indians. They complain only that the Packerys are "different" and are breaking the law by being where they are.

Clearly, Packery is qualified financially to live in the Hatfield district. Although he suffered business failure in the past he now manages a successful automobile dealership. He has signed a 10-year lease on his house in Hatfield, with a beginning rent of \$575 a month.

In asking for an exemption from the racial zoning laws,

Packery also cites his need to be near a hospital—one that accepts Indian patients—for he suffered a severe heart attack three months ago. There are two such hospitals in downtown Pretoria, not far from Hatfield.

Packery's determination to fight eviction is supported by Indian political groups. Abu Baker Ibrahim, of the South African Indian Council, said: "Mr. Packery did not move in to create a test case against racial discrimination, but that is what it has become. Allowing the Packery family to live in a white area will give substance to government claims it is moving away from racial discrimination."

The reference is to a government plan to extend a limited degree of political power-sharing to Asians and coloreds in an effort to have them close ranks with whites against the threat of majority black rule.

Whatever the political future may be, the regulations of the Group Areas Act are being implemented zealously by the government ministry assigned to keep the races separated. Its department of community development is forever uprooting people in an effort to keep segregated living areas from becoming racially contaminated.

The immensity of the effort, and its expense to the taxpayers, have been outlined in a report by the women's organization Black Sash, which vigorously opposes apartheid.

To keep residential suburbs "pure" and to allow such communities to expand, the government during the past decade has forced the resettlement of three-quarters of a million people, according to the Black Sash report. It is estimated that another million Indians and coloreds will be moved as soon as the government can budget the funds to acquire suitable (low-cost) land and construct sufficient housing for them.

In the process some whites must move as well.

The Group Areas Act does not apply to blacks, who, at least in theory, are not allowed to live permanently anywhere outside their tribal homelands. Those who work in and around white cities are only transient under the grand design of apartheid, and they reside only in such "temporary" cities as Soweto, the suburb of a million blacks outside Johannesburg.

The Black Sash report, composed of data on government actions and interviews with people affected, shows that government-ordered population shifts sometimes have involved the transfer of thousands.

Much of the resettlement has been in the area around Cape

Town, where the government seeks to keep colored people as the primary work force but has found it necessary to allow in some transient blacks.

Blacks and coloreds also live separately under apartheid—the policy is to keep discriminated races from joining in protest—and priority has been given to providing housing for coloreds. The result is the growth of massive black shantytowns, the best known of which is Crossroads. The demolition last year of such squatter villages in an effort to force blacks back to their homelands caused an international outcry, and has held up the scheduled razing of Crossroads.

The difficulty of administering the race-separation policy is evident in the former slum area of Cape Town known as district 6. It was cleared of its mostly Muslim families, descendants of Malaysians recruited as laborers for Cape Town, and was redesignated as a white area. But neither whites nor industrial concerns have chosen to locate in district 6 and it is almost a ghost area.

The resolute administration spares no expense to tidy up where groups illegally intermingle. Black Sash investigators turned up a case where 14 Indian families in Komatiport, near the Mozambique border, were moved 700 meters to be inside a designated Indian township.

In another cleanup, 1,000 black and colored families were moved out of Riemvasmaak, near the border with Namibia (South-West Africa). For unexplained reasons, some families were dispersed several hundred miles north and some to a distant point in the south.

Finding suitable relocation areas for nonwhites is complicated by the fact that whites, who make up 16.7 per cent of the total population of South Africa, have been allocated about 87 per cent of the country's land.

Businessman Packery's asserted inability to remain in Pretoria's Indian suburb of Laudium, where he lived for 16 years, reflects the shortage of inexpensive land in urban areas for nonwhites. —(LAT)

Rebellious Beuys to leave Germany

BONN — Joseph Beuys, Germany's most famous and most hotly-disputed living artist, bids the domestic art scene at least formal farewell this spring to become professor at Vienna's College of Applied Arts.

Beuys leaves behind a trail of artistic and political controversy stretching back 20 years. Many of his fights with his state government employers at Dusseldorf's Art Academy have centered on his wish to work without state interference. Now, it seems, the Austrians have granted Beuys this ideal—a free hand, three assistants, good studio facilities and a life contract.

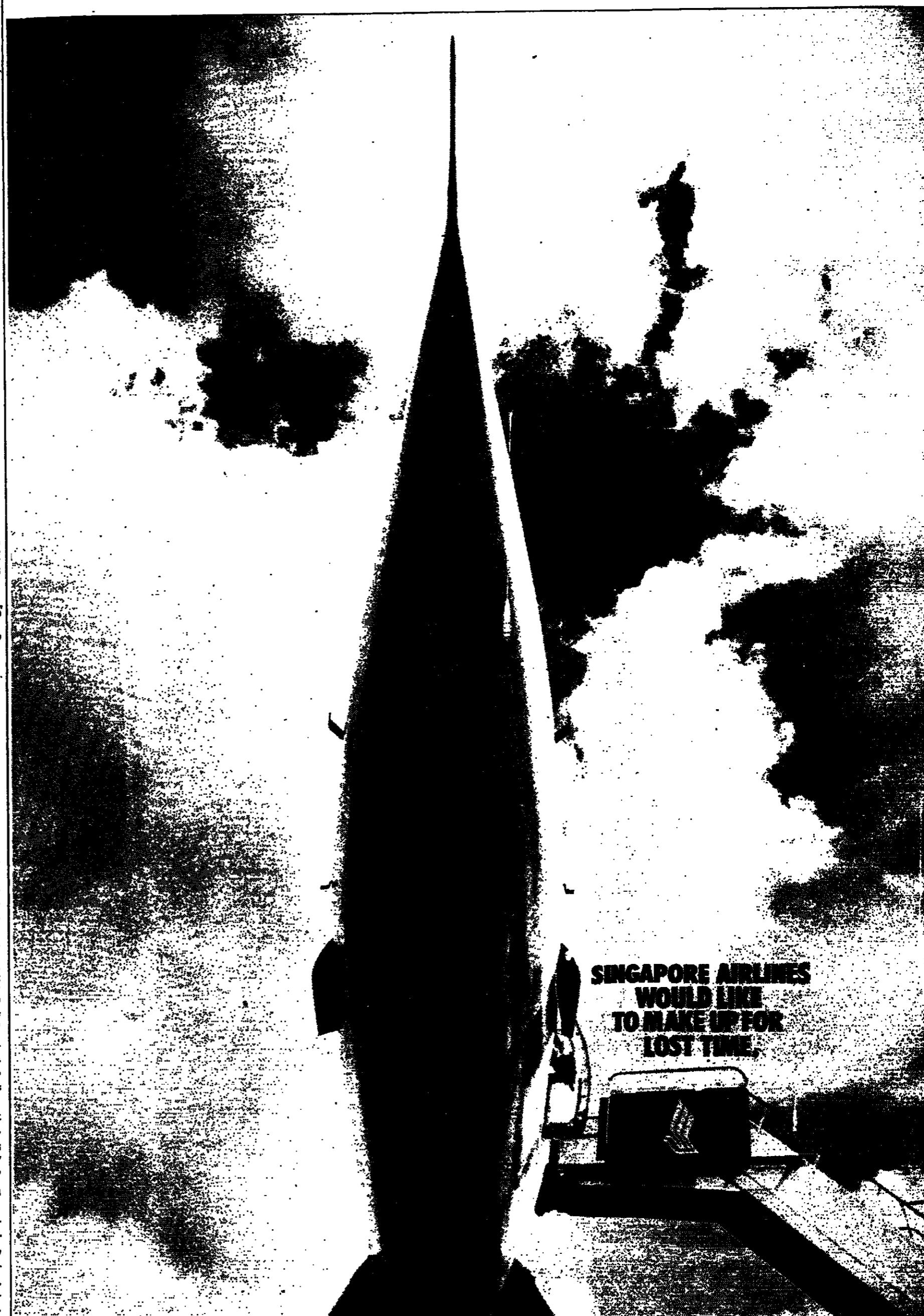
Although Beuys' family will stay in Dusseldorf and he retains his studio there, many critics see the 57-year-old artist's "departure" as that of a prophet driven into exile by West German authorities not prepared to lend support and guarantee freedom to art.

"The hackneyed statement about a prophet not being recognized in his own country is once again literally true here," the "Frankfurter Allgemeine" newspaper lamented in an editorial.

A broad, Beuys has won recognition as an important modern artist. His first visit to the United States in 1974—a lecture tour of New York, Chicago and Minneapolis—won over many critics and diverse elements of America's modern art scene. His work will be shown at New York's Guggenheim Museum this spring. —(UPI)



HEROES WHO NEVER GROW UP: From Barnum and Bailey's Circus World (left) to Sirocco the clown of the Bouglione, France Circus, children remain fascinated with the pranks of clowns.



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Yahya Al-Jazira

Moscow unimpressed**Israel cuts links with S. Africa**

TEL AVIV, Jan. 23 (R) — The Israel Olympic Committee (IOC), the umbrella organization for most of Israeli sport, is breaking off all sporting relations with South Africa as a prelude to next year's Moscow Olympics.

The decision was taken Monday at a meeting of the IOC Presidium, committee pre-

sident Yitzhak Ofek said Monday night.

The ruling will end the frequent exchanges between Israel and South Africa in sports.

Ofek said the decision was taken so as not to jeopardize Israel's entry for next year's Moscow Olympics, and was also an expression of Israel's

Case extension ordered as boxer prepares to go

FORT LAUDERDALE, Florida, Jan. 23 (AP) — South African heavyweight boxer Kalle Knoetze planned to leave the United States Tuesday, even as his attorneys and agents maneuvered to keep his hopes for a championship alive.

Knoetze's plea for a permanent injunction against the U.S. State Department's revocation of his visa was continued Monday by U.S. District Judge Norman C. Roetger. If Roetger upholds the revocation after Friday's hearing, Knoetze would be permanently barred from the country.

"I'm going back home," Knoetze said. "I feel good about it. I feel optimistic. I think I will get a chance at the world championship."

"I feel American law is very fair."

The State Department revoked his visa days before his Jan. 13 match with Bill Sharkey at Miami Beach because of the former South African policeman's 1977 conviction for obstruction of justice. The State Department has equated the conviction with a felony under U.S. law.

Roetger extended the temporary restraining order he granted Knoetze on Jan. 11, which let Knoetze fight. He

Crenshaw wins

18th-hole thriller

PHOENIX, Arizona, Jan. 23 (AP) — Ben Crenshaw salvaged a desperately scrambling par 71 including 2 shots from the trees on the final hole to preserve a 2-stroke victory Monday in the weather-shortened, 54-hole Phoenix Open golf tournament.

Crenshaw, who had staked himself to a 4-shot lead with a brilliant, 10-under-par 61 in Sunday's second round, watched that margin dwindle steadily in the face of a challenge by Jay Haas. He had but a single shot in hand going to the final hole on the Phoenix Country Club course, a water-guarded par 5.

Crenshaw pulled his tee shot into the trees. His second remained in the woods, but he threaded his third through the trees to the putting surface. He ran his first, long putt to within a foot of the cup and tapped in for his first victory since 1977.

dislike of the policy of racially segregated sport practised in South Africa.

The first sport to be affected will be gymnastics. Instructions have already been given to cancel a forthcoming trip to South Africa of two top local gymnasts.

Two of South Africa's top sporting administrators late Monday expressed "deep disappointment" at the committee's decision AP reports.

"Yet I suppose it was to be expected — they are obviously under duress, and are out to safeguard their position in the Moscow Olympics" was the summing up of Gert Le Roux, secretary of the South African Amateur Athletics union.

Hugo Olivier, president of the South African Gymnastic Union — first body to be hit by the decision, said "Moscow is now more important than South Africa."

"My feeling is that South Africa must play a low profile until the Moscow Olympics, as far as invitations to tour here by overseas teams are concerned," Olivier said.

The International Olympic Committee withdrew recognition of South Africa in 1970 because of its apartheid policy and over the years many international sports federations have expelled the republic for the same reason.

Israel is enjoying "100 per cent co-operation" from the organizing committee of the Moscow Olympics, Ofek reported. The Israelis hope to enter a team of some 50 sportsmen for the games.

But in Moscow, a Soviet commentator Tuesday condemned as hypocritical the Israeli decision.

Alexander Bokhonko, writing for the news agency Tass, said racism in South Africa existed in fields other than sport, but there was no sign of any Israeli protest.

Israel was stepping up its links with South Africa, not only in trade but also in military cooperation, and was exporting arms to South Africa.

The commentary referred to "Israel" rather than the Israeli Olympic Committee, which took the decision, and made no reference to the 1980 Moscow Olympics.

After thaw

Fords lead field into Monte Carlo

MONTE CARLO, Jan. 23 (AP) — Two Ford Escorts, closely chased by the leading works Fiat 131s, led the Monte Carlo rally Monday as less than 200 of the 233 starters wheeled into the principality in the face of a challenge by Jay Haas. He had but a single shot in hand going to the final hole on the Phoenix Country Club course, a water-guarded par 5.

Crenshaw pulled his tee shot into the trees. His second remained in the woods, but he threaded his third through the trees to the putting surface. He ran his first, long putt to within a foot of the cup and tapped in for his first victory since 1977.

Ford is bidding for its first Escort victory in the event. Escorts have scored victories in most of the world's other major rallies.

There was some confusion in working out exact positions after the five speed stages during the night which set up the first leader board for the event.

Drivers unanimously lamented the sudden thaw which swept the heavy snow and ice of last week off the rally

But the Fords of Flun-

WASHINGTON, Jan. 23 (AP) — Kevin Keegan, 1978 European Footballer of the Year, and the Washington Diplomats have reached a verbal agreement under which

Keegan will play for the Dips in the North American Soccer League for the next three years for a figure in excess of \$1 million, the "Washington Post" reported Tuesday.

"We are still negotiating with Keegan and we have not signed him," said Dips general manager John Carbray.

"We hope to sign him for 1979."

The "Post" said, however, sources have indicated that the Dips and Keegan have agreed on a figure that would pay 27-year-old forward more money than the entire Washington team was paid in 1978.

Keegan will sign a three-year agreement that will allow him to continue playing for Hamburg S.V. in the German league while playing about 70 per cent, or 20 of 30 games, of the NASL sea-

son.

Dips coach Gordon Bradle

ley will fly to Germany Wednesday to conclude arrangements.

Under terms disclosed by Guenier Netzer, general manager of Hamburg S.V., Keegan could join the Diplomats on June 10, the day after Hamburg's last League game.

He hoped Keegan could rejoin the Hamburg club by the mid-August start of the new European season.

Nicolas last year was the first private entrant in many rallies to beat the powerful works teams and also won the tough East African and Ban-

dama Rallies.

Nicolas last year was the

first private entrant in many

rallies to beat the powerful

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AMER



UP THERE: Toni Enderer of Switzerland explodes off a jump early in his winning run in the downhill World Cup race earlier this month at Crans Montana, Switzerland.

SCHRUNTS, Austria, Jan. 23 placed third and grabbed a commanding lead in the World Cup slalom totals.

Mas. Proell got 15 points

for her third position and increased her lead to 155.

The five-times World Cup

winner moved away from her

closest competitors Marie-

Theres Nadig of Switzerland

who fell in the first run, and

Hansi Wenzel of Liechtenstein

who came in seventh in the

race.

Nadig's World Cup total

remained at 105. Wenzel, who

got four new points here, had

101.

At Houston event

Withering Martina service annihilates Wade, 6-3, 6-2

HOUSTON, Texas, Jan. 23 (AP) — Top-seeded Martina Navratilova won 29 of 35 points on her serve to defeat second-seeded Virginia Wade, 6-3, 6-2 Monday night and win the \$125,000 pro tennis tournament here for the fourth straight year.

Navratilova kept the pressure up in the second set. She broke Wade in the fourth game, forced her English opponent to three deuces in the sixth game and broke her again in the final game of the match.

Navratilova picked up \$24,000 as the dominant force from the start in a battle between the 1977-1978 Wimbledon champions.

Navratilova has now won 14 of 15 matches and taken two tournament championships in three events on the women's pro tour this year.

The defending champion broke Wade in the first game of the match when she made only one first serve. Navratilova then served three strait-

sets up in the second set. She broke Wade in the fourth game, forced her English op-

ponent to three deuces in the

sixth game and broke her

again in the final game of the

match.

Gottfried wins

PHILADELPHIA, Jan. 23 (AP) — Brian Gottfried, at no. 6 the highest seeded pla-

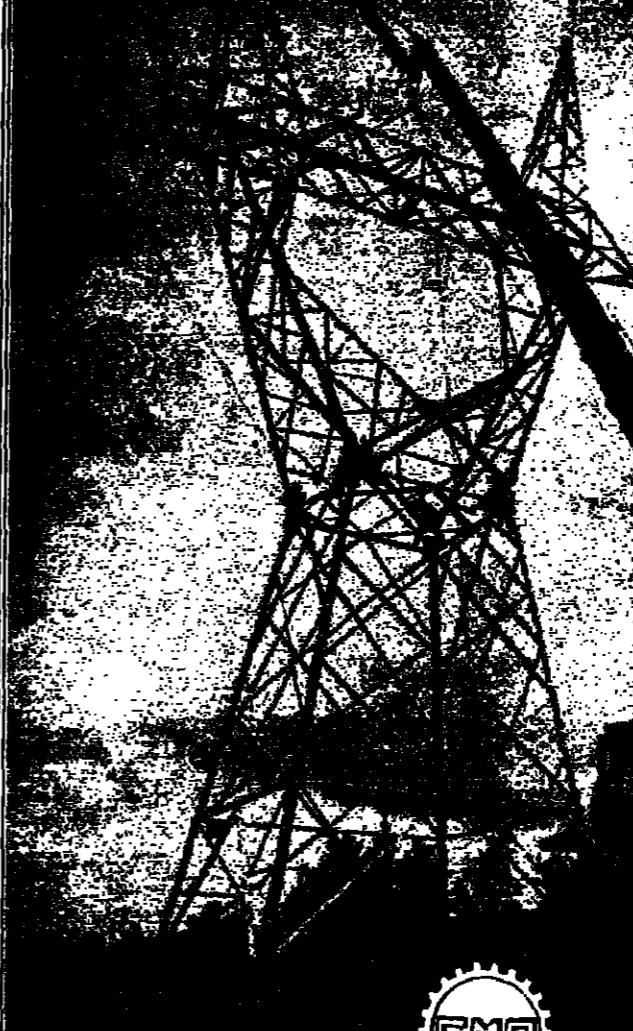
yer in action during the open-

ing round Monday, scored a

6-3, 6-1 triumph over John

Sacki in the \$250,000 U.S.

Pro Indoor Championships.

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UAE to retain oil output of 1.85m b/d, Otaiba says

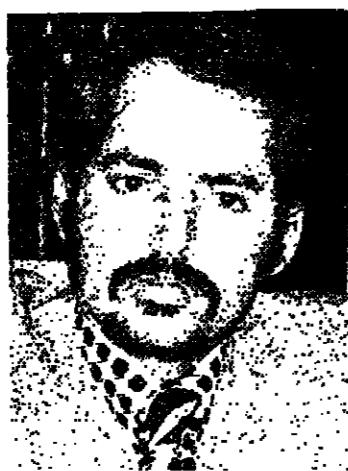
ABU DHABI, Jan. 23 (Agencies) — UAE Oil Minister Mana Said Otaiba has said his country would maintain last year's crude oil production average of 1.85 million barrels a day for the current year.

The official UAE news agency said Otaiba told an economic symposium in Abu Dhabi Monday that this production rate does not represent UAE's production capacity and that the "door has not been totally closed for future production increases."

It quoted the minister as saying the UAE understands the consumer countries' oil needs in the 80s. "Maintenance work is underway now in our oilfields and wells so that they could be exploited in the best way possible," he added.

He said, according to the agency, his country's crude reserves could enable it to produce 3.25 million barrels a day if required.

Referring to last month's decision by the Organization



UAE Oil Minister
Mana Said Otaiba

of Petroleum Exporting Countries (OPEC) to increase this year's oil prices by 14.5 per cent, Otaiba said the decision was reasonable and would not harm world economy.

Most Arab oil producing countries have shown no enthusiasm to date to raise production to meet the shortage

in world oil markets created by the political disorders in Iran.

Otaiba said he cannot predict now what the oil prices would be like next year, but added that the prices of some goods which the UAE has to import, have already increased at a rate higher than the oil price increase.

"Nevertheless, the UAE does not support another big price hike in oil prices in the future," he was quoted as saying.

The symposium, sponsored by the American Stanford Group, is being attended by a large number of world economists, businessmen, executives and managers of large companies.

Kuwait rejects fund plan to aid non-oil Arabs

KUWAIT, Jan. 23 (AP) — Kuwait Tuesday turned down a Sudanese proposal for setting up a special fund financed by oil producing Arab countries to help non-oil Arabs facing difficulties resulting from the recent oil price increases.

Sudan had suggested to the Arab League to convene an emergency in Khartoum to consider the proposal.

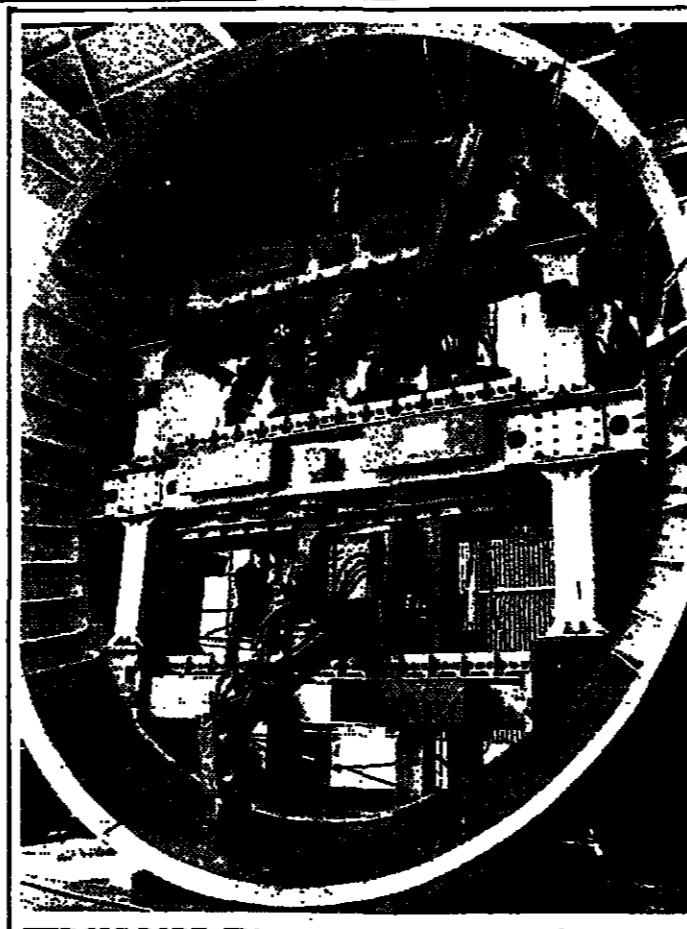
A spokesman at the Kuwait Foreign Ministry said Kuwait has already informed the Arab League Secretariat that it has no intention of attending such a meeting.

He was referring to a compromise between the United States and the EEC bridging differences over piece levels at which reserve wheat stocks should be built up.

The compromise, worked out in private consultations last month, was a basis for reopening the 70-nation conference meeting for the third time since last March, Dunkel said.

The object of the international agreement would be to control wheat prices and ensure supplies so that neither fluctuates widely.

The method proposed is a



THE BIG BORE: This 7-meter diameter tunnel shield will clear out a hole below ground large enough to put an underground station in. Built by a British company, it is currently being assembled underground ready to be used to excavate tunnels for stations on the Newcastle Metro.

World wheat conference told trade accord closer

GENEVA, Jan. 23 (R) — The United States and the Common Market have taken an important step toward a new international agreement regulating world trade in wheat, a conference negotiating the accord has been told by chairman Arthur Dunkel of Switzerland.

He was referring to a compromise between the United States and the EEC bridging differences over piece levels at which reserve wheat stocks should be built up.

The compromise, worked out in private consultations last month, was a basis for reopening the 70-nation conference meeting for the third time since last March, Dunkel said.

The object of the international agreement would be to control wheat prices and ensure supplies so that neither fluctuates widely.

The method proposed is a

system of reserve stocks, held by both exporting and importing countries, which would be built up when market prices are low and unloaded when prices are high.

Delegates at Monday's brief opening session agreed that the conference's economic committee should meet to discuss the proposals, which were among six issues which Dunkel said must be resolved in order to achieve an agreement.

These were: the price range to be set in the pact, the size of reserve stocks, provisions for revising prices to take account of inflation and exchange rate fluctuations, guarantees of supplies for importing countries, provisions exempting member countries from stock-holding obligations in special circumstances, and special measures to help developing countries assume obligations under the agreement.

The sources said Sonoda declined any immediate commitment to Schmidt's aid proposal but said that the government would seriously consider it.

Bonn asking Tokyo to help Ankara aid

TOKYO, Jan. 23 (UPI) — West Germany is asking Japan to help in assistance to Turkey and to discuss liberalizing the yen, government sources said Tuesday.

Chancellor Schmidt made the proposals to Japanese Foreign Minister Sumio Sonoda during a conference in Bonn last week, the sources said.

Schmidt reportedly told Sonoda the United States, West Germany, Britain and France agreed at a Western summit in Guadeloupe recently to give economic aid to Turkey as a curb against Soviet interests.

The four reportedly proposed that each industrialized nation including Japan should extend \$500 million annually to Turkey.

The sources said Sonoda declined any immediate commitment to Schmidt's aid proposal but said that the government would seriously consider it.

Turkey is suffering from a huge trade deficit because of a decrease in the export prices

Soviets seeking Iran oil, Sen. Jackson cautions

NEW YORK, Jan. 23 (AP) — Unless steps are taken to protect Iranian oil supplies from Soviet domination there will be long lines at gas stations and spot shortages of gasoline in certain parts of the United States this summer, Sen. Henry Jackson has said.

Speaking at a day-long seminar on energy sponsored by the American Stock Exchange Monday, Jackson called Soviet attempts to control Iran's oil fields a "professional operation."

Jackson contends the Soviets are engaged in a "conscious effort" to surround the oil fields and deny oil supplies to the West.

He said unless steps are taken to "protect" the supplies "We could, this year, see spot shortages of gasoline this summer, very clearly, and we can see the prices go right on through the roof."

He said there could be an increase above and beyond the 14 per cent already decided by OPEC.



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CHANGES PAST 24 HRS. DATE: 25.2.1399/23.1.1979
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1-Vessels Name of Working the Ship Agent Type of cargo Arrival Date

Berth No.					
1	MAHAWIYAH	S.E.A.	GENERAL STEEL	19.1.1979	
2	OCEAN SINCERITY	AET	GEN.CONTS	22.1.1979	
3	KASUGA MARU	GULF	PLANT/STEEL	20.1.1979	
4	MARIA	KANOO	GEN.CONTS	22.1.1979	
5	ULDENDORFF				
6	TAI SUN	S.E.A.	GENERAL LOADING UREA	22.1.1979	
7	LUXOR	S.O.E.SIA	SHEEP	21.1.1979	
8	SWAN RIVER	S.O.E.SIA	CON.FAINTER	22.1.1979	
9	MARE TRADER	KANOO	GENERAL	21.1.1979	
10	STRATHDUN	KANOO	GENERAL	21.1.1979	
11	PRINCESS AURORA	ALSAADA	GENERAL	19.1.1979	
12	EVER SAFETY	GOSAIBI	GENERAL	19.1.1979	
13	ARAB AL HIJAZ	S.C.S.A	GEN KICE	21.1.1979	
14	UNITED FOR PRESS	S.O.E.SIA	GENERAL	22.1.1979	
15	SILVER ZEPHYR	ALIREZA	BULK CEMENT	5.1.1979	
16	(D.B.)				
17	REDSORG	KANOO	SHEEP	20.1.1979	
18	SCOFI	O.C.E.	SUGAR IN BAGS	22.1.1979	

2-Recent Arrivals

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TAI SUN	SEA	GENERAL	22.1.1979
MARIA	KANOO	GEN.CONTS	22.1.1979
ULDENDORFF			
MARE TRADER	KANOO	CONTAINERS	22.1.1979
UNITED FOR PRESS	S.O.E.SIA	GENERAL	22.1.1979

3-Vessels Expected With in 24 Hours

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IBN AL NAFFES	KANOO		
NORSE	KANOO		
TRANSPORTER			
UNITED BOUNTY	ALQURAISI		
IBN AL ATHEER	KANOO		
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Soviet Armenia said suffering from severed Iran gas supply

MOSCOW, Jan. 23 (AP) — A pipeline bringing natural gas from Iran to the Soviet Union has been shut off as the result of the turmoil in Iran, and at least one Soviet region is suffering severe hardship as a result.

"Kommunist," a local newspaper reaching Moscow this week from Soviet Armenia, which borders on Iran, said the pipeline has been shut off since last autumn and that emergency measures are being taken to find sources of heating fuel.

The 690-mile pipeline, completed at the beginning of the

decade has pumped about one billion cubic feet of natural gas a day into the Soviet Caucasus region for the past five years.

"Kommunist" dated Jan. 13, said, "It is no secret to anybody that at the end of last October the pressure in the Iran-USSR pipeline was sharply reduced, and that soon after the supply of natural gas from that source was cut off altogether."

In a clear reference to the conflict in Iran, it said, "everybody knows the circumstance causing this."

At the end of October and

beginning of November, the Iranian oil fields were put out of action by strikes. The flow of natural gas to the Soviet Union apparently never resumed.

"Nobody knows how long this situation will continue," the newspaper said, but it went on to describe long-term measures being taken to make up for the halt.

The article indicated that Iranian natural gas is virtually the only source of heating fuel for Armenia, as well as supplying the neighboring Caucasus republics of Azerbaijan and Georgia.

Saudi Arabian Government Tenders

Authority	Description	No. of Tender	Price SR	Closing Date
* Ministry of Health	Supply of 14 cold storage units for the dead, each to accommodate four bodies	492	50	Feb. 17
* Ministry of P.T.T.	Construction of storehouses and garage on Al-Reed road, Riyadh	3-98/99	100	Feb. 14
* Ministry of Municipal and Rural Affairs	Fencing of the graveyards of Mauqiq and surrounding areas in Had	26-96/97	2000	Mar. 5
* * * *	Fencing of the graveyards of Na'm in Al-Hariq	92-98/99	1000	Mar. 10
* * * *	Temporary asphalt in some villages of Rafha municipality	26-96/97	1500	Mar. 11
* * * *	Fencing of seven graveyards in the villages of Rafha municipality	"	150	Mar. 12
* * * *	Fencing of graveyard of Mewen village in Duhum	"	"	"



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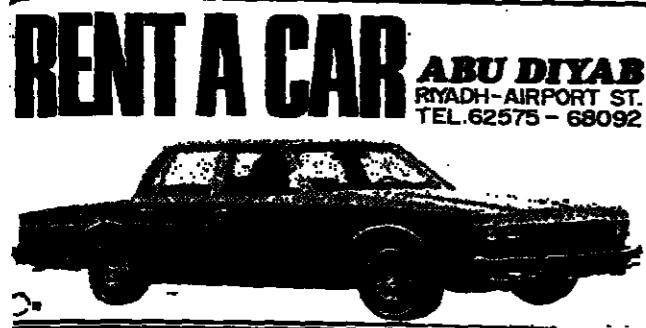
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6 AL BATTANI	S.E.A.	GENERAL	20/1/1979

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PASSPORT LOST
Pakistani Passport No. AD 820523 issued at Jeddah in 1975 with Iqama No. 2/2108 to Mr. Ghulam Hussain has been lost. Finder please deliver it to Pakistan Embassy — Jeddah.

PASSPORT LOST
Indian Passport No. L 182912 issued at Singapore on 19-5-77 with Iqama No. 334 to Mr. Sulaiman has been lost. Finder please deliver it to Indian Embassy — Jeddah.

Malaysian Passport No. 1004961 issued at Kuala Lumpur in 1978 to Mr. Aziz Bin Awang has been lost. Finder please deliver it to Malaysian Embassy — Jeddah.

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PAGE 14

Snow, new walkouts add to misery

Worst day yet in British strikes

LONDON, Jan. 23 (R) — Blizzard-swept Britain struggled through the grimmest day of its strike crisis with no end in sight, to weeks of industrial unrest Tuesday.

Arctic weather, a national rail strike and numerous wild-

cat stoppages added to the mounting misery inflicted by the truck drivers' dispute.

Pay negotiations to end a three-week strike by truckers broke down after nine hours of discussions late Monday night. Both sides predicted a pro-

longed battle ahead. Thousands of the 1.5 million low-paid workers who staged a one-day protest strike Monday stayed away from their jobs. Ambulance services were in disarray in several parts of the country, hundreds of schools were closed and in some areas treacherously icy highways were left ungated.

Senior cabinet ministers met to review again whether to declare a state of emergency and call in troops to move essential supplies.

As the 10 Downing Street meeting opened, there was the announcement that unemployment had soared by 90,968 during the past month to 1,455,275 — 6.1 per cent of the work force.

Many Britons found it impossible to get to their jobs. Freezing rain followed by heavy snow carpeted southern England, crippling road transport.

For the third time this month train drivers campaigning for a 10 per cent "responsibility bonus" were on a one-day strike and London's underground rail services were disrupted by the weather.

Heathrow Airport was closed most of the day by snow and Manchester Airport shut because one key worker, a watchkeeper in the fire control office, went on holiday. Unions who are on a go-slow insisted the stoppage was not planned.

Limited ambulance services were operating in several countries and in London drivers debated whether to call an indefinite strike.

Monday troops in old-fash-

ioned army ambulances and police were mobilized to take the place of civilian drivers who refused to answer even emergency calls.

Prime Minister James Callaghan, facing his toughest challenge yet, once again appealed to trade unions not to fuel inflation and unemployment by making huge pay claims.

Speaking at a conference at the Trades Union Congress (TUC) headquarters, he said, "in the last analysis it is rank and file trade unionists who can ensure that we do not plunge once more over the abyss."

Punching the air with anger, he said some workers were asking for far more than the economy could sustain and there was a limit to what the government could do.

Employment officials said between 175,000 and 200,000 workers had been laid off because the truck drivers' strike has throttled supply lines. They warned the figure would rise sharply this week.

The truckers — who want a 22 per cent wage rise — started an unofficial action Jan. 2 and their strike was declared official by unions nine days later.

Since then more than 100,000 drivers have been striking and pickets have blockaded ports, factories and store depots.

Adding to the confusion Tuesday were a spate of unofficial stoppages by public authority employees, among them hospital porters, road workers, school caretakers and laundry staff.

Late News



GERMAN PROSPERITY: The largest bank building was recently opened in Frankfurt and, not unexpectedly, Germany predicted strong economic growth in 1978.

Bonn predicts growth improvement in 1978

BONN, Jan. 23 (R) — West Germany Tuesday officially predicted that its economy would grow faster this year and declared that it had fulfilled its promise to other leading industrial nations to improve production and help world recovery from recession.

The cabinet gave its approval to a report by government experts which predicted a four per cent growth rate for 1979 — compared with a provisional growth of 3.4 per cent last year and only 2.6 per cent in 1977.

The powerful West German economy is a key force in the attempt by the industrial democracies to get the world out of the low-production, high-unemployment slump which started in the early 1970s.

The government ruled out the need for further stimulus measures after the boost given to the economy last year.

But Economics Minister Otto Graf Lambsdorff, who presented the report, said that factors outside the country could endanger the present upward trend here.

Examples were possible upsets in currency markets, in international free trade or in energy imports.

West Germany's Employers' Federation warned in a statement that the predictions could

also be affected by internal factors including the effects of the recent six-week steel workers' strike.

The chairman of the country's Trade and Industry Association, Otto Wolff von Amerongen, cast doubt on the forecasts — and said he expected a growth rate of only 3.5 per cent.

Unstable situations in Turkey, Iran and Vietnam could have a negative effect on West Germany's export-oriented economy, he said.

The two men were expected to discuss the Soviet Union's attitude towards Iran after the departure from the country of the Shah, towards Cambodia where pro-Moscow rebels and Vietnamese troops have seized

Gromyko asks peace as Rome visit starts

ROME, Jan. 23 (R) — Soviet Foreign Minister Andrei Gromyko Tuesday made a strong appeal for disarmament and detente on the eve of the opening session of the Geneva Disarmament Conference.

Gromyko, speaking at a luncheon given in his honor on the first working day of a five-day visit to Italy, said there was no problem his country intended to resolve by force, there was no state against which it had territorial claims and there was no issue it would not discuss around a table.

The Soviet Union rejected the idea that humanity could not live without nuclear arms, he said.

"All the arms existing in the world were created by the hand of man and there is no type of armament his hand cannot eliminate," he said.

All that was needed was the political will which was why the Soviet Union attached such importance to the Geneva talks beginning Wednesday, he added.

Gromyko and his Italian host, Foreign Minister Arnaldo Forlani, later began detailed talks on international issues including Africa, the Middle East and Indochina, the Foreign Ministry said. No statement was likely to be issued Tuesday.

The year-end report on the consumer price index will affect the pay of up to 2.6 million persons who have December or fourth-quarter cost-of-living clauses in their contracts.

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The economy, heavily dependent upon diamond products and cotton, is reported depressed after a poorer-than-usual cotton crop this year.

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(A denial of Zairean in-

Zaire troops apparently killed 12 in rioting against Bokassa

sources said.

Bokassa has very close relations with President Mobutu Sese Seko in neighboring Zaïre.

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From page one

Elite

son by being subservient to a foreign power, Russia."

Khomeini told Iranian journalists in an interview published in Paris his supporters "will fight" if the army tries to stop him from taking over from Bakhshai's government which Khomeini has denounced as illegal.

In Cairo there were reports that the Shah, furious with the Carter administration's policy on Iran, will probably return to Egypt, following his current stay in Morocco, instead of Shatila in southern Lebanon.

Bazargan, who represented Khomeini in negotiations with oil workers, said Bakhshai can find four of the dead were soldiers.

PNC

rapprochement between the PLO and Jordan, which the council said should now be conducted on the basis of giving the Palestinians full political and military freedom in Jordan.

Linguistics

Dayan complained that Israel's military operations against Palestinians were condemned by the United States and the Arab world while commando attacks on Israel went uncriticized.

Referring to complaints that Israeli raids against Palestinians in Lebanon are an obstacle to peace negotiations, Dayan said, "to put it simply, we cannot avoid it. We have to defend ourselves ... No one else can take care of us, including the United Nations forces" in southern Lebanon.

One apparent casualty of the conference was an emeritus

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